Daily Report

East Europe

FBIS-EEU-91-090
Thursday
9 May 1991

Daily Report
East Europe

FBIS-EEU-91-090

CONTENTS

9 May 1991

NOTICE TO READERS: On 6 May 1991, the DAILY REPORT will begin phasing in new radio and television sourcelines that reflect how a station identifies itself. This change eliminates the "Domestic Service" and "Television Service" designations in favor of the station identification as broadcast. The presence of a new sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: • indicates material not disseminated in electronic form.

ALBANIA

Nano Meets With Party Representatives *[ATA]* 1
Party of National Unity Greets Alia on Election *[BASHKIMI 4 May]* 1
Agrarian Party Greets Alia on Election *[BASHKIMI 4 May]* 1
Social Democratic Party Holds News Conference *[Tirana Radio]* 2
Luarasi Receives Miners' Representatives *[ATA]* 2
IMF Delegation Meets Finance, Planning Officials *[ATA]* 2

BULGARIA

Lilov Views Moscow Talks With Gorbachev, Others *[BTA]* 4
Prime Minister on Bulgaro-Soviet Treaty *[BTA]* 4

CZECHOSLOVAKIA

Trade Minister Cited on Tank Deal With Syria *[CTK]* 5
Interviewed on Fulfilling Contract *[NARODNA OBRODA 4 May]* 5
Calfa on Tank Sales *[CTK]* 6
'Well-Informed Sources' Give Details *[LIDOVE NOVINY 4 May]* 7
Press Comments on Planned Exports *[CTK]* 7
Moscow Refuses To Reveal 1968 Invasion Documents
[CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY 4 May] 7
Bill on Period of Communist Rule Rejected *[CTK]* 8
Havel, Czech, Slovak Leaders Depart for Germany *[CTK]* 8
Russia's Yeltsin Not To Address Federal Assembly *[CTK]* 8
Havel Defends 'Cronyism' at Interior Ministry *[LIDOVE NOVINY 4 May]* 8
Federal Government Discusses Arms Sales, Pensions *[Bratislava Radio]* 9
State Bank Official on Devaluation, Moscow Talks *[Bratislava PRAVDA 29 Apr, etc.]* 10
State Official on Subsidies, Slovak Deficit *[HOSPODARSKE NOVINY 2 May]* 11
TU Activities Assessed; New Leaders Elected *[PRACE 27 Apr]* 11
Green Party Chairman on Party's Strength *[RUDE PRAVO 3 May]* 12
Minister Klaus Rejects Leading Role for Party *[Prague Radio]* 12
Civic Democratic Party Meets Parliamentary Posts *[CTK]* 12
New VPN Chairman Interviewed on Policy Plans *[Bratislava Radio]* 13
Miklosko on Meciar's Platform, Slovakia
[CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY 3 May] 13
Meciar Calls For Reshuffle in National Council *[CTK]* 14
Slovak Interior Minister on StB in Police Force *[VEREJNOST 3 May]* 15

HUNGARY

Foreign Ministry Secretary Views Regional Security *[MTI]* 16
Foreign Minister Cited on Policy Successes *[CTK]* 16
National Assembly Body Discusses Soviet Treaty *[Budapest Radio]* 16
TU's Send Joint Appeal to Governments *[MTI]* 16
Sources Report Reinforcements on SFRY Border *[MAI NAP 5 May]* 17

Interior Minister Addresses Assembly *[Budapest Radio]* 17
Free Democrats, Socialists on 6-Party Talks *[MTI]* 19

YUGOSLAVIA

FEC Statement on Halting Violence *[TANJUG]* 20
Presidency Statement on Ending Conflict *[TANJUG]* 21
Defense Committee Assesses Situation *[TANJUG]* 21
Army To Use 'All Available Means' on Blockade *[TANJUG]* 23
Golem: Fight 'With All Available Means' *[Vienna NEUE KRONEN-ZEITUNG 9 May]* 23
Serbia Lists Demands in Letter to FEC *[TANJUG]* 24
Slovene Independence 'Definitely' by 26 June *[TANJUG]* 25
Slovene Government Adopts Bills for Independence *[Belgrade Radio]* 25
Additional Independence Bills *[Belgrade Radio]* 26
Slovene Assembly Adopts Constitutional Law *[Belgrade Radio]* 26
Jansa Denies State of Emergency Rumors *[Belgrade Radio]* 26
Legal Aspects of Separation Presented *[NEODVISNI DNEVNIK 25 Apr]* 27
Slovene Political Scene Viewed *[VJESNIK 26 Apr]* 27
Slovene Assembly Appoints New Officials *[TANJUG]* 28

Nano Meets With Party Representatives

AU0705192091 Tirana ATA in English 1748 GMT 7 May 91

[Text] Tirana, May 7 (ATA)—Fatos Nano, appointed by the president of the Republic of Albania Ramiz Alia to the post of the chairman of the Council of Ministers, received today at the seat of the Council of Ministers, in separate meetings, representatives of the Party of Labour, the Democratic Party, the Republican Party, the Party of National Unity, the Ecological Party, the Agrarian Party and the Social Democratic Party.

In these meetings the premier acquainted them with the grave situation in economy, with the main theses of the platform of the program of the government to be presented for approval to the People's Assembly and exchanged opinions on the outlets from this situation. He underscored that the country needs a government relying on the spirit of national unity. The materialisation of such a thing with the collaboration of all parties, through the participation in the new government of their experts from all fields is to the benefit of the homeland.

The representatives of political parties put up their opinions and considerations on the country's economic and social situation and made suggestions regarding the activity of the new government, as a government of experts without party prejudices, in order to find the most efficient ways for the stabilisation of the situation and the opening up of an optimistic perspective.

The representatives of the Party of Labour expressed the readiness for a governmental coalition with the other parties, considering it as a guarantee for unity and social peace. The representatives of the Democratic Party emphasized that their party will take part in all the parliamentary life and in the commissions to be created by the parliament. We do not doubt that the premier's invitation for the participation of the Democratic Party in the government coalition is without prejudices. Our disapproval to this offer is without prejudices too, but we are of the opinion that our status as opposition outside the government is an historical indispensibility, they said.

The representatives of the Republican Party underlined the necessity of collaboration of the experts of all parties and of the non-party ones with the government, but they did not stand for a governmental coalition, due to the fact that their party has not any seat in the Assembly.

After underlining that the Party of National Unity has not yet capable experts to take part in the government, the representative of this party voiced his opinion in favour of the participation of the other parties in the government.

The representatives of the Agrarian Party underscored the necessity of mature ownership solutions in the countryside, in order to avoid returning to the old boundaries of the personal yard, and without belittling the necessity of the administering role of cooperatives, conceived and reformed as producing and trade organisations in the conditions of the market economy.

The representative of the Ecological Party was of the opinion that the country needed a coalition government for the sake of the national interests.

The representative of the Social Democratic Party said that a coalition government with all the parties to have their place in a pluralistic parliament would be really beneficial to the country.

Party of National Unity Greets Alia on Election

AU0805190391 Tirana BASHKIMI in Albanian 4 May 91 p 1

[Telegram from the Albanian Party of National Unity, sent from Tirana on 2 May]

[Text] To Comrade Ramiz Alia, president of the Republic of Albania.

On the occasion of your election by the pluralist People's Assembly to the high office of president of the Republic of Albania, we wish you success and fruitful work for the good of the people and our entire nation.

Our party, which places national unity above everything else, will do everything in its power to support you in carrying out your constitutional function as head of state and representative of the people's unity, on the road toward the full and permanent democratization of the country's life, its faster economic and cultural development, the people's greater prosperity, and the strengthening of the rule of the law from the peak of the pyramid to the base.

The Albanian Party of National Unity.

Agrarian Party Greets Alia on Election

AU0805190291 Tirana BASHKIMI in Albanian 4 May 91 p 1

[Telegram from the Albanian Agrarian Party, sent from Tirana on 3 May]

[Text] To Comrade Ramiz Alia, president of the Republic of Albania.

On the occasion of your election as president of the Republic of Albania, the Albanian Agrarian Party wishes you success in your high and noble duty and expresses the wish that you will realize our people's aspirations for real democracy and prosperity.

The Albanian Agrarian Party.

Social Democratic Party Holds News Conference

AU0805191291 Tirana Domestic Service in Albanian 1800 GMT 8 May 91

[Text] The latest political party, the Social Democratic Party, held a news conference yesterday afternoon in the lecture hall of the Palace of Culture in Tirana. Professor Dr. Skender Gjinushi and Senior Lecturer Haxhi Aleko, members of the Managing Commission, replied to the questions of journalists from our press organs and the radio and television. First of all, Skender Gjinushi informed those present about the activities of the party so far, the work done to form branches in Korce, Gjirokaster, Tepelene, Vlore, and Fier, and the work being done to hold a national aktiv of the Social Democratic Party soon.

Asked about his meeting with Fatos Nano, chairman of the Council of Ministers, Skender Gjinushi explained that the Social Democratic Party favors a coalition government, but that its work should last no longer than nine months, after which new elections should be held. It was said at the news conference that bearing in mind the acute problems our society is confronting today, the Social Democratic Party accepts an alliance with any opposition force, while the conditions for an alliance will later change. In connection with the Social Democratic Party's economic program, its leaders explained that they do not favor shock therapy, and that they favor the abolition of agricultural cooperatives, but only gradually. They also accept as necessary a role for the state as a regulator of the economy, considering this role in an essentially different way from the programs of other parties.

Asked about the stand of the Social Democratic Party toward the personality of Enver Hoxha, Skender Gjinushi replied: We look at his personality in three ways. First, Enver Hoxha was the political leader of the Albanian Workers Party, and it is therefore up to that party to assess his character. Second, he is a historical personality, and time will make its own assessment. Finally, from an ideological point of view, the Social Democratic Party is against Marxism-Leninism, and does not agree with Enver Hoxha's ideas and work.

Later, replying to other questions from journalists and the party's supporters, it was stressed that the Social Democratic Party will in all its work seek and determinedly attempt to win the support of the workers class. In connection with the trade unions, the Social Democratic Party expressed the view that they should be the main force in our society for solving problems between employers and employees, and that these organizations should enjoy real independence from any political party.

In connection with this party's press, those present learned that the publication of a newspaper depends on the reply expected from the government, because its team of journalists is ready.

Luarasi Receives Miners' Representatives

AU0705191691 Tirana ATA in English 1810 GMT 7 May 91

[Text] Tirana, May 7 (ATA)—On May 7, the secretary general of the Council of Ministers, Aleks Luarasi, received a group of representatives of the Trade Union Council of the north and southern mines of Bulqize, who acquainted him with the demands they have put forward a few days ago in the name of the miners of these mines. Attending this meeting was also the minister of industry, mines, and energy, Drini Mezini.

The miners' demands that have to do with the working conditions, with corrections in the pay system, transport, housing, living conditions, health service, employment, etc. were considered correct. The minister Drini Mezini said that instructions were given to immediately meet a part of them, which were under the competence of the respective institution whereas for the others it was agreed upon and the government pledged to organise an interinstitutional meeting, to resolve them as soon as possible.

The representatives of the miners insisted in a priority treatment of these reasonable demands, underlining that they are fully aware of the economic difficult conditions our country is undergoing. At the same time they severely criticised the links of the state power that have allowed the accumulation of the economic and social problems in Bulqize. In particular they demanded that this governmental group set up in January this year to resolve these problems render account for its work. At the meeting it was decided that within May 12, the governmental group goes to Bulqize, to see to and discuss the realization of the work program and encourage the activity of the state power links in the grassroot for its application.

Comrade Aleks Luarasi voiced the government's commitment to meet the just demands of the workers and the inhabitants of Bulqize and underscored that the economic and social program of the new government which will reflect the deep economic reform that has begun to be applied in our country will be the basis for the radical solution to these problems and in the perspective for the uplift of the well-being and the living conditions of the miners and all the working masses of the country.

IMF Delegation Meets Finance, Planning Officials

AU0805145991 Tirana ATA in English 0959 GMT 8 May 91

[Text] Tirana, May 8 (ATA)—On May 7, the second mission of the International Monetary Fund, headed by Prof. Mario Blayer, was received at separate meetings by the deputy director general of the Albanian State Bank,

Kamber Myftari; the deputy minister of finances, Anastas Angjeli; the vice chairman of the State Planning Commission, Luan Shahollari.

After wishing it welcome, they briefed the members of the mission on the economic state of Albania, the recent developments, the decisions of the government, etc., dwelling particularly on the work done for the application of the economic reform. It was stressed among others that the Ministry of Finances, the Albanian State Bank and other departments support the process of privatization of various economic branches as in agriculture, trade, public service, etc. It was also stressed that our cadres and specialists are studying the material prepared by the mission of the IMF and in this respect it is aimed at making an efficient and fruitful work. In these meetings it was also spoken on the problems of finances, bank and forecasts on the development of economy, pointing to the difficulties our country is undergoing for foreign currency, financial means, etc., so as to back up better the economic reforms.

Prof. Mario Blayer thanked for the warm reception and said that in the course of its stay the mission will work to perform all the necessary formalities for Albania's membership to the International Monetary Fund. To this end, he said, we must be assured of the information accumulated by our first mission, must complete it and will also discuss on your short-term projects. The members of the mission aired their views concerning the increasing active support for the private sector, the further improvement of the fiscal system, IMF technical aid to our financial and bank organs, etc. Prof. Blayer asked that the mission conduct summit meetings in order to forward views and plans of the International Monetary Fund for Albania in the future.

Lilov Views Moscow Talks With Gorbachev, Others

AU0805171291 Sofia BTA in English 1621 GMT 8 May 91

[Text] Sofia, May 8 (BTA)—The Soviet side made it clear that it cannot accept the position of a country which wants to receive its oil from the Soviet Union and everything else from other places, Mr. Aleksandur Lilov, leader of the Bulgarian Socialist Party [BSP] (ex-Communist Party), told the press upon his return from a two-day visit to Moscow where he led a party delegation and met Mr. Gorbachev.

Mr. Lilov described his talks with Mr. Gorbachev as "frank" and stressed that he is extremely pleased with his visit to the Soviet Union. The talks touched upon the new Bulgarian-Soviet treaty now being worked out. According to Mr. Lilov the working out of this treaty should be stepped up. The two sides have already exchanged drafts but a lot has still to be done. Mr. Gorbachev assured the Bulgarian side that he wishes to maintain active relations with Bulgaria.

Mr. Lilov said that at the moment the Soviet Union is reconsidering its policy towards the East European countries and is ready to take steps to facilitate the development of its relations with these countries and particularly its economic relations.

I find it strange that certain Bulgarian politicians or parties doubt the usefulness of the Bulgarian-Soviet relations, Mr. Lilov said. According to him, Bulgaria managed to overcome its poverty with the direct assistance of the Soviet Union. The greater part of the production facilities, worth 120-150 billion leva, were created with Soviet help, Mr. Lilov pointed out, and then added: "It is a different matter that we failed to find the right time to update this enormous potential." The quality of this potential is doubted by other circles.

The leader of the BSP, the party which is closest to the Soviet Union in its foreign policy orientation, said that the relations with the Soviet Union should be a priority trend in Bulgaria's future foreign policy.

Asked about the relations between the BSP and the CPSU, Mr. Lilov said that both parties have a common goal: to become initiators and active factors of change, but, of course, the developments in the two countries are specific. Mr. Lilov called Mr. Gorbachev a "great politician of our time," and added that the Soviet leader stands quite firmly at the steering wheel and knows where he is heading his enormous country. In Moscow Mr. Lilov had talks with Mr. Vladimir Ivashko, deputy secretary general of the CC [Central Committee] of the CPSU, and Mr. Yuriy Prokofyev, first secretary of the Moscow Party organization and one of the leaders of the newly-founded Club of Communist MP's in the Soviet parliament. Mr. Lilov and Mr. Ivashko discussed certain aspects of the CPSU-BSP cooperation.

Prime Minister on Bulgaro-Soviet Treaty

AU0805210591 Sofia BTA in English 1949 GMT 8 May 91

[Text] Sofia, May 8 (BTA)—Prime Minister Dimitur Popov made it clear that Bulgaria will stand up for its interests in the working out of the future Bulgaro-Soviet treaty. According to him, there can be no standard treaties. Romania signed a treaty with the Soviet Union because it considered it advantageous. "Thus, we cannot expect Article 16, for instance, of the Soviet-Romanian Treaty to be identical to Article 16 or any other article in the treaty Bulgaria is going to sign with the Soviet Union," Mr. Popov told a news conference, answering a question. In connection with the same question, the chief of the President's Office refuted information from Prague according to which Bulgaria and the Soviet Union would conclude a treaty similar to the one between Romania and the Soviet Union.

The prime minister stressed that the countries in question are sovereign and each of them will be guided by its own benefits and interests.

Mr. Popov explained that Bulgaria is at the stage of preparing the talks on the signing of a Bulgaro-Soviet treaty. The two countries have exchanged drafts and are working out different options but there have not been talks even at the level of experts yet. The treaty will be discussed by the two countries' foreign ministers and then submitted to their governments. It became known at the news conference that the new Bulgarian ambassador to Moscow will present an invitation to the Soviet foreign minister to visit this country.

Mr. Popov emphasized that treaties like the one in question are useful. He believes that none of the countries in Central and Eastern Europe is interested in breaking its economic contacts with the Soviet Union. "We should seek to broaden these contacts, but under different conditions: Subordination should be ruled out," the prime minister said. In his talks with Soviet representatives it was never mentioned that the former nature of the relations should be retained.

"We declared we would hold talks with the Soviet Union, and such a treaty should be signed," Mr. Popov said.

On his return from the Soviet Union today, the Socialist Party leader, Mr. Aleksandur Lilov, said that the new Bulgaro-Soviet treaty had been mentioned at his talks with President Gorbachev. According to Mr. Lilov the working out of the treaty should be stepped up.

Trade Minister Cited on Tank Deal With Syria

LD0805155491 Prague CTK in English 1426 GMT 8 May 91

[Text] Prague May 8 (CTK)—Czechoslovak Foreign Trade Minister Jozef Baksay told journalists today he believes that "the export of our tanks to Syria worth 200 million dollars has been decided".

"Unless we receive substantial U.S. financial aid for the conversion of our arms industry, we cannot give up the deal", Baksay said.

Foreign trade liberalisation is an instrument of economic reform, he said in a report on the current state of affairs at the Czechoslovak Foreign Trade Ministry. The former state-run foreign trade corporations were dissolved earlier this year and transformed into joint-stock companies.

Baksay explained that these companies are now being prepared for privatisation, and that a new law in the works would allow all private entrepreneurs, fully and partially state-funded enterprises and private farmers to engage in foreign trade without any interference by the government.

Said Baksay, "We are not trying to preserve the Ministry of Foreign Trade at any cost, but we would like to create conditions in which our services would be useful to businesses".

EC countries have accorded Czechoslovakia their system of general tariff preferences which will translate into a direct gain of 100 million dollars, Baksay said, adding that a similar status has been granted by Austria and the U.S., whose granting of most favored nation status will be worth some 18 million dollars to Czechoslovakia. Since May 1 Czechoslovakia also has access to the U.S. General System of Preferences allowing tariff-free exports of more than 300 items

Both the Foreign Trade Ministry and national foreign trade system are currently undergoing reconstruction, said Baksay, as 20 per cent of the ministry's staff—69 people—have left, leaving 315 employees at present.

Since the beginning of this year the ministry has managed to negotiate the collection of Egyptian debts, signed a contract for the export of 100 million dollars worth of aviation equipment to Nigeria, laid the foundations for trade with South Africa and opened recently a commercial office in Israel.

Commenting again on the sale of Czechoslovak tanks abroad, Baksay said, "We want to sell only what has already been manufactured", adding that all arms exports are thoroughly evaluated politically, economically and morally.

He said the controversial sale of 200 million dollars worth of tanks to Syria was the first step toward being able to talk with them about collecting the rest of the money owed to Czechoslovakia to whom Syria currently owes 1,100 million dollars—183 million of it still outstanding.

Baksay said Koospol Bratislava was responsible for the transaction in which American meat was exported to European Community countries under the falsified stamp of Czechoslovak authorities and that as a joint-stock company it does not answer to the Foreign Trade Ministry.

Overall turnover in Czechoslovak trade in the first quarter of 1991 came to 107,900 million crowns (1 dollar = 30 crowns), according to Baksay, which is 80.7 per cent of what it was for the same period last year. Exports dropped 21.6 per cent and there was a 7.7 per cent decline in imports. Trade with market economies increased 7.7 per cent, accounting for 57.4 per cent of total trade. The country's trade balance showed an overall deficit of 4,500 million crowns due to a 7,200 million crown deficit in trade wth non-market economies, especially the Soviet Union. A total of 5,400 million dollars is now owed to Czechoslovakia, the largest part by Syria.

Interviewed on Fulfilling Contract

AU0905075791 Bratislava NARODNA OBRODA in Slovak 4 May 91 p 13

[Reprint of interview carried in RESPEKT No. 17 with Federal Foreign Trade Minister Jozef Baksay by unidentified reporter on 24 April; place not given: "Conversion and Foreign Trade"]

[Text] [Baksay] Although a lot of abuse is heaped on the Federal Government, it is a government that has in mind—first and foremost—the 16 million people who live in this country. At the same time, everything is backfiring against it; for example, its populist endeavors—I mean that unfortunate wheeling and dealing with tanks from Martin. It is absolutely and unmistakably clear to the leadership that it cannot continue to produce tanks, because there simply will not be anywhere to sell them. Perhaps they will be successful in winning a contract with Syria. I am prepared to immediately sign the export authorization papers, but only if I receive a political decision. However, we cannot allow ourselves to risk the fate of other people for one enterprise. Our Republic cannot dictate international policy. I have told Dienstbier that if the United States does not somehow compensate us for this Syrian contract—by purchasing the tanks contained in the contract or by a direct financial agreement—then I will take responsibility for signing the export authorization papers myself. However, I will not do this if the manufacturers do not stop producing tanks immediately. By continuing with this production, they are actually devaluing the merchandise. After all, they know they can in no way be sold.

[RESPEKT] According to the manufacturers, they have other markets.

[Baksay] I only know about Syria; I have it all prepared. Minister Dienstbier discussed this with [James] Baker in the United States. During the course of this week, a decision will be made on whether we will go ahead with it or not.

[RESPEKT] They did not let you onto the production line, right?

[Baksay] Of course. Tank production is a very complicated business. If they do not begin with structuring the company, they cannot change it all at once. They have to divide it into small divisions. We are prepared to immediately finance specific projects. We have a chance of sales in one sector—aircraft technology. The problem is that aircraft technology is in Prague. Povazska Bystrica would still be able to keep its head above water, but heavy tank technology has no chance.

It was made clear in Iraq what the T-72 is like— a matchbox that the first rocket will snuff out. It is an absolutely unnecessary weapon.

Let me give you some figures: The selling price of a T-72 MI tank is approximately $1.5 million. At the same time, a comparable American tank—the M60A3—is equipped with much higher quality electronic equipment and its price is almost the same. In Martin they have such phenomenal overheads that selling the tanks at a lower price would not bring them any profit at all.

[RESPEKT] They claim the opposite.

[Baksay] They did not give you the figures. Did they tell you how many tanks they produce per annum? Armament production began to be cut back in 1986. During these five years, they have not been capable of submitting any program. I do not know about them. I will sign for these tanks for them, although it will be on my head if Dienstbier does not agree.

[RESPEKT] Will you risk your job by doing so?

[Baksay] I am risking it. If this is the case, I will leave my post.

[RESPEKT] Do you think this is a solution?

[Baksay] People in the Vah River valley have no chance of finding employment elsewhere. There is no other industry there. The only chance would be to prepare some project and attract foreign companies to provide job opportunities. I will—in essence—declare a customs-free zone for them immediately; however, they themselves have to work in it. Perhaps they will do this quickly, but they have done nothing for many years.

It annoys me that people allow themselves to be manipulated. They are unable to recognize what the government actually wants to do for them, and they let themselves be bamboozled by those who are deceiving them. This contract may perhaps save them; they will have enough for their wages. However, if they do not put this money back into a restructuring process, in six months or a year's time they will be in the same place they are now.

We are looking for partners for them throughout the world; however, this is not even our work. I will not give the contract in Nigeria to Omnipol [a foreign trade organization] to prepare, but to Unimpex (Heavy Machine Tool Enterprises' foreign trade organization—editor's note) to help them financially. You will see what kind of reaction there is.

[RESPEKT] Could it happen that you sign a contract, then someone else comes along in your place and revokes your decision?

[Baksay] They will be exporting until that time.

[RESPEKT] However, they claim that the tanks have not been produced yet and that they need 18 months for this.

[Baksay] They certainly have them in their stockpiles.

Calfa on Tank Sales

LD0805161991 Prague CTK in English 1200 GMT 8 May 91

[Text] Prague May 8 (CTK)—Czechoslovakia is not interested in selling tanks abroad if it finds other work for people who are making them, Premier Marian Calfa told CTK today after his return from an unofficial visit to Israel May 4-8.

He said that the economic and social situation forces Czechoslovakia to consider tanks as goods which are being produced in Slovakia by tens of thousands of people who would otherwise have no jobs.

Calfa said he had confirmed these facts to Israeli Premier Yitzhaq Shamir and President Hayim Herzog. He asked both for assistance in the conversion of the Czechoslovak arms industry so that the economic situation does not force Czechoslovakia to make goods that it does not want to make, and could focus on peace production. Premier Shamir and the Israeli press showed understanding for this situation and drew the conclusion that Czechoslovakia needs help in the conversion, Calfa said.

He does not believe that the export of Czechoslovak tanks to Syria could affect relations with the United States. "The U.S. is also a large weapons exporter. I understand its concern about the Czechoslovak export, but it should be equally concerned about the fate of people who have no other work than in our arms factories", Calfa said.

He visited Israel at the invitation of the World Jewish Congress. It was the first visit by a Czechoslovak premier to Israel ever.

Czechoslovakia intends to sell about 100 T 72 tanks to Syria and perhaps others to Iran, and has received demarches from the United States urging it not to do so.

'Well-Informed Sources' Give Details

AU0805134691 Prague LIDOVE NOVINY in Czech 4 May 91 p 1

["ji"-signed report: "Only for Cash; Harmless Tanks"]

[Excerpt] As we have learned from well-informed sources, during his recent stay in the United States Jiri Dienstbier, CSFR deputy prime minister and minister of foreign affairs, informed the U.S. Administration that Czechoslovakia wants to sell over 100 T-72 tanks manufactured in the ZTS [Heavy Engineering Works] at Martin to Syria and Iran. The American side expressed certain reservations [odstup] about this transaction but, in general, it expressed understanding for the difficulties encountered by Czechoslovak arms manufacturers in marketing their products. Minister Dienstbier stressed that the tanks have already been manufactured and that they would be sold for cash and not on credit. [passage omitted]

Press Comments on Planned Exports

AU0805161891 Prague CTK in English 0656 GMT 7 May 91

[Excerpts] Prague May 7 (CTK)—The independent daily LIDOVE NOVINY comments today on reports that Czechoslovakia intends to sell tanks to Syria and allegedly also to Iran: "Arms are being exported and we will certainly continue to export them. But at the same time we must scrupulously respect international agreements, whether written or unwritten, about where one can export and where it is 'not recommended'. To affirm in these circumstances that we are an independent state and therefore make our decisions independently is naive and short-sighted.... When the time comes that we will need economic assistance—and we will—and our appeal is met with deafening silence, we should remember this brilliant deal".

The socialist party daily SVOBODNE SLOVO writes, "the world is abuzz with our intention to sell 300 T-72 tanks to Syria.... At the beginning of (1990) President Vaclav Havel declared that Czechoslovakia, one of the largest exporters of weapons in the world, was finished with the export of military hardware".

The daily MLADA FRONTA DNES writes, "according to some reports, American opposition to this kind of trade is not totally fair since the United States itself is supposedly considering renewing arms exports to those countries". The United States appealed to Czechoslovakia on May 3 not to send arms to Syria and Iran. [passage omitted]

Bratislava—The Slovak daily PRACA says Czechoslovak politicians are now faced with the moral and economic aspects of arms exports stemming from the need to stop sales of weapons to the most conflict-ridden regions of the world. Commenting on the U.S. protest against the planned exports of tanks to Syria and Iran it says "It is not, however, possible to use blackmail and to put a knife on somebody's throat" in order to solve the problem. In this connection the paper says U.S. firms were the second biggest arms supplier to the Middle East after the Soviet Union.

The daily of the Democratic Party CAS says that while the United States counts with a reduction in Czechoslovak arms exports from 8,000 million dollars in 1987 to 1,000 million this year and while it demands Czechoslovakia to scrap arms exports to the Middle East, it is conducting talks on arms supplies to the area. According to unofficial sources, the United States plans selling weapons worth 18,000 million dollars to five countries of the Persian Gulf, the paper says. It notes that if Czechoslovakia stops manufacturing heavy weapons, thousands of people will lose work while nothing will change in equipping the world with weapons. The notion of global conversion of arms factories is utopian and naive at present, the paper adds.

The daily of the Public Against Violence movement (VPN) VEREJNOST says the question of tank exports to Syria has become part of the U.S. Gulf policy. "It would be therefore a tragic mistake to view the problems of conversion in Slovakia exclusively as Czech and Slovak ones," the paper adds.

The leftist daily PRAVDA says that far-reaching changes in the structure of Czechoslovak industry cannot be made according to the will of a lobby connected with a state which occupies foreign territory. The paper is referring to the strong Jewish lobby in the U.S. Congress which now takes a stand favorable to Czechoslovakia but which would become hostile if Czechoslovakia sold tanks to Syria and Iran. [passage omitted]

Moscow Refuses To Reveal 1968 Invasion Documents

AU0905075091 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 4 May 91 p 1

[Jan Subert report: "Moscow Is Still Silent"]

[Text] The second attempt by the Prosecutor General's Office to acquire from official places in Moscow the documents that would explain the background of [the Soviet invasion on] 21 August 1968 has failed completely. This ensues from the conclusions of the meeting between the first deputies of the Prosecutor General's Office in the CSFR and in the USSR held in Moscow.

The Soviet side—which was fully informed of the state of our investigation during this meeting— has not expressed its opinion on the information that was made available to it, nor has it adopted any standpoint toward it. The only request made was that the demand for the surrender of authentic materials be made in writing.

On the subject of the aforementioned demand, we want to add that the Soviet Prosecutor General's Office has ignored the letter sent as early as 8 March 1990 by the

CSFR Prosecutor General's Office to the prosecutor general's offices of the countries that participated in the August invasion. However, only Poland and Hungary have positively reacted to the request for cooperation in the clarification of the circumstances surrounding the aggression.

The Soviet response to the aforementioned letter at that time was a diplomatic note to our government stating that the USSR had apologized to our people and therefore the 1968 events are considered to be closed. This standpoint was accompanied by an explanation that surrendering Soviet materials could provide a pretext for political trials in our country, which the Soviet Union does not want.

According to information made available to us, Soviet authorities have taken tougher security measures recently to ensure the safety of all the documents pertaining to the background of the Soviet military operation against the CSFR in August 1968.

Bill on Period of Communist Rule Rejected

LD0905050791 Prague CTK in English 2023 GMT 8 May 91

[Text] Prague May 8 (CTK)—The Czechoslovak Government today rejected a bill on the "period of lack of freedom", covering the years of communist rule in Czechoslovakia (1948-89), on grounds that the assessment of that period should be the subject of political, moral and historical analysis and not of a legal regulation.

The government said in a statement the bill could call into question valid legal regulations, adding that the conclusions of the assessment of the period of totalitarian rule are already contained in preambles to other existing laws. The bill might also give rise to doubts about some provisions of the constitutional charter of fundamental rights and liberties, in particular the freedom of scientific research which in itself encompasses a plurality of views in the field of historiography.

The government therefore believes the best solution to be a political declartion approved by a joint session of both houses of the Ferderal Assembly (parliament).

Havel, Czech, Slovak Leaders Depart for Germany

LD0805163391 Prague CTK in English 0917 GMT 8 May 91

[Text] Prague May 8 (CTK)—Czechoslovak President Vaclav Havel left here today for Germany to receive in Aachen tomorrow the Charlemagne Prize which is awarded annually to those who have contributed to the unification of Europe.

Winners of the prize include French President Francois Mitterrand and German Chancellor Helmut Kohl.

During his stay in Germany, Havel is also scheduled to meet with President Richard von Weizsaecker and with Kohl. Havel and Kohl will inaugurate in Bonn this afternoon an exhibition from the collections of the State Jewish Museum in Prague.

During the talks, Havel will discuss the Czecho-Slovak-German draft treaty on good neighbourliness and friendly cooperation.

Havel is accompanied on his trip to Germany by head of the presidential office Karl Schwarzenberg and by the Czech and Slovak premiers, Petr Pithart and Jan Carnogursky respectively. This is for the first time since the November 1989 revolution that representatives of the two republics making up the Czechoslovak Federation accompany a leading federal official during important international talks.

The ceremony at Aachen tomorrow will be attended also by Archbishop of Prague Miloslav Vlk who also left for the historical German town today.

Russia's Yeltsin Not To Address Federal Assembly

LD0805160391 Prague CTK in English 1532 GMT 8 May 91

[Text] Prague May 8 (CTK) 0—Representatives of deputies' clubs and parties and movements represented in the Czechoslovak federal parliament agreed here today that President of the Russian Federation Boris Yeltsin will not address the 15th joint meeting of the Czechoslovak parliament during his visit.

Yeltsin will visit Czechoslovakia in mid-May, at the invitation of the foreign relations committees of the Federal Assembly (Parliament).

The federal parliament's First Deputy Chairman Zdenek Jicinsky told journalists that during his visit Yeltsin will address a meeting of deputies' clubs, will be received by the parliament's Chairman Alexander Dubcek and visit the Czech National Council (parliament). Dubcek and Yeltsin are also expected to sign a joint statement. Jicinsky pointed out that the statement will in no way be a declaration of the Federal Assembly (Parliament) and that it would not be correct to attach to the document any greater importance.

The foreign relations committees recommended yesterday Yeltsin's address to the federal parliament. However, in the debate a number of deputies wondered why the Russian president should address the federal and not republican parliaments.

Havel Defends 'Cronyism' at Interior Ministry

AU0805155491 Prague LIDOVE NOVINY in Czech 4 May 91 pp 1, 16

["kk"-signed report: "The President Did Not Settle the Conflict"]

[Excerpts] [passage omitted] During his visit to Silesia yesterday, Vaclav Havel also visited the Czechoslovak Youth Union [CSM] Mine at Karvina, which has broken away from the Ostrava-Karvina Mines concern after a protracted tug-of-war. In the debate Viktor Kolhacek, the mine's director, and other speakers attacked the Czech Ministry for Economic Policy and Development for having imposed on the CSM Mine, as the only mine in the republic, an additional levy of 52 korunas per extracted tonne of coal. The mine's director described this as an unlawful and antireform measure because it takes away from good performers to subsidize poor performers. [passage omitted]

Mr. Kraus, deputy minister for economic policy, said that, if redistribution [of profits] was discontinued, mines in entire coal basins would have to be immediately closed. "The Kladno basin alone is short 80 million korunas a month, without which it would be unable to pay wages," he argued. He said that mines not making a profit, especially in small coal basins, would be gradually closed.

President Vaclav Havel said that he cannot settle the conflict, which, in his opinion, is a conflict between strict compliance with the rules of the market and the requirements of the transition period. The subject of cronyism was also broached at the meeting. In this connection, the president commented on the situation at the Ministry of Interior: "Minister Jan Langos has a few deputies and other staffers who used to be friends in the opposition, in Charter 77. He is being criticized for his ministry being a 'gang of cronies.' Do understand, please, that the ministry that used to be in charge of the StB [Stae Security] was a complex and nontransparent colossus, in which it was impossible to trust anyone. The minister could only rely on people whom he trusted and who knew each other." [passage omitted]

Federal Government Discusses Arms Sales, Pensions

LD0905082991 Bratislava Domestic Service in Slovak 1630 GMT 8 May 91

[Text] Immediately after the return of Federal Prime Minister Marian Calfa from his unofficial visit to Israel, the Government of the Czech and Slovak Federal Republic met. Our colleague in Prague, Oldrich Sestak, reports on the deliberations:

[Sestak, in Czech] The session of the Federal Government focused today on drafts submitted by the Ministry of Labor and Social Affairs. Petr Miller [federal minister of labor and social affairs] also attended a news conference that followed.

The government approved a draft bill on social security—this is already the third stage of changes. The most important proposed measure is that men up to the age of 65 and women up to the age of 60 should not receive pensions together with wages. [Men retire at 60 and women at 55 at present] They will thus face a choice: either to continue working, and by this continue to increase the percentage for the future calculation of their pension, or to start receiving their pension. This means a reduction of benefits for pensioners, not a ban on their employment.

As you know, the Slovak Government agrees with this general idea, while the Czech government, trade unions, and employers who see in pensioners a cheap labor force oppose it. As Minster Miller said, he has never met in his trips any negative reaction from working people; quite the contrary.

We must be aware of the situation in our country. We have more than 220,000 unemployed, and it is said that in the second half of the year, employment will drop by 10 to 15 percent. Furthermore, school dropouts and college graduates will find it more difficult to find jobs. As Petr Miller said, we will simply be in a situation in which a number of people willing and able to work will not find jobs. This is connected with the necessary structural changes.

Moving the limit for paying the pension together with wages above the age of 65 years in men and 55 years in women is quite in harmony with the European practice and international conventions.

The government also approved draft bills on the second increase of pensions this year, state compensation payments, and the draft bill on pension issues concerning those from abroad—this concerns former emigres.

Among other planned changes in the social sphere, I would like to mention the fact that there is a proposal to pay a widower's pension—that is, a pension to men—and the sum of widow's pensions should not depend on the income of the deceased husband.

The Federal Government also dealt with the situation in railway transport. It has decided that CSD [Czechoslovak State Railways] will be compensated for fuel price increases on 1.75 billion korunas. The railway will also be given a state guarantee for a bridging loan worth 4.75 billion korunas. The transport minister has been ordered to submit a program on the future development of railways.

Jiri Brabec, first deputy federal minister of foreign trade, told us that the government discussed a draft proposal for setting up a special institution to support foreign trade. It will insure against investment and export risks and at the same time decide on grants for justified cover for interest rate differences. The allocated 500 million korunas for this purpose is not much to start with, but it is at present all the state has at its disposal.

The government also agreed on the use of national currencies in trade with the Soviet Union as one option. At present, it is necessary to agree on banking conditions for such cases.

Concerning the property and financial issues connected with the withdrawal of Soviet troops from Czechslovakia, the government proposes to set up a joint commission to deal with it. There are still different opinions on the settlement.

According to Deputy Minster Brabec, the government did not discuss today the demarches of the U.S. Governemnt on the sale of Czechoslovak tanks to Syria and Iran, although the issue was discussed during the session. Jiri Brabec added that this sale is presently politically acceptable, but this does not at all mean that by this the government is departing from its plan on the conversion of the arms industry.

The government also adopted today a stand on the draft bill on the bondage period, which it discussed last week. The government believes that the assessment of the 1948 to 1989 period is a matter for political, moral, and historical analysis and not a matter for a legal ruling. The government sees the most suitable means of resolving the tabled proposal as a political proclamation of a resolution from a joint session of both chambers of the Federal Assembly.

State Bank Official on Devaluation, Moscow Talks

AU0605133991

[Editorial Report] Bratislava PRAVDA in Slovak on 29 April on page 3 carries a 750-word interview with Jaromir Zahradnik, deputy chairman of the Czechoslovak State Bank, by Tatiana Repkova, entitled "We Have No Reason To Devalue Again!" The interview, the place and date of which are not given, deals with the impact of the latest devaluation of the Czechoslovak koruna, carried out on 28 December 1990, on the current account. Prague HOSPODARSKE NOVINY in Czech on 30 April on pages 1 and 2 carries a 900-word Marcela Doleckova article entitled "Will the CEMA Banking Institutions Survive?" The article reviews statements made by Jaromir Zahradnik to HOSPODARSKE NOVINY on his recent talks in Moscow. The place and date of the interview are not given.

In her introduction to the interview with Zahradnik, the PRAVDA reporter explains that the effect of the devaluation of 28 December 1990 can be assessed only now, in view of the ruling of October 1990 that payments for imports from the hard currency area must be made with a delay of at least three months.

Asked how the devaluation affects the current account situation, Zahradnik says that "its impact is positive." While in February "payments for goods and services" exceeded revenues by $83 million, in March revenues exceeded payments by $114.4 million. This "evidently positive trend" continued also in the first 15 days of April.

These figures show, according to Zahradnik, that "there is absolutely no reason for [another] devaluation." On the contrary, the positive trend should make it possible to "gradually eliminate" the aforementioned regulation of payment conditions for imports. Zahradnik also cites two other factors that speak against another devaluation. The first is the diminishing difference between the official and the black market exchange rates of the koruna. Whereas on 4 April the difference between the official and black market rates was 4 percent, by 16 April it dropped to 1.7 percent. Zahradnik also believes that another devaluation would no longer have any stimulating affect on exports.

In his interview for HOSPODARSKE NOVINY, Jaromir Zahradnik discusses his recent talks in Moscow. The talks with Valeriy Pekshev, deputy chairman of the USSR State Bank, concerned the use of national currencies in mutual trade and they were "successful," the HOSPODARSKE NOVINY report says: "The two bankers agreed on a supplement to the agreement on payments between the two countries and initialed an agreement on the principles of interbank cooperation in the use of national currencies. This represents a chance for Czechoslovak, as well as Soviet, enterprises, which they must learn to use.

"Czechoslovak commercial banks will be able to open koruna accounts for Soviet enterprises in Czechoslovakia, and Czechoslovak enterprises will be able to keep ruble accounts with Soviet banks. The exchange rates are still subject to negotiations between banks and the enterprises themselves, but they will not be fixed centrally. Czechoslovak enterprises themselves will, naturally, have to find cover for credits, or they will have to conclude deals with a fast return. A successful launch of this system would establish prerequisites for the use of national currencies in noncommercial payments as well. Moreover, the Federal Government is likely to extend to enterprises that will 'make it' certain export-stimulating injections, most probably in the form of subsidized credit interest rates."

According to the HOSPODARSKE NOVINY report, while in Moscow, Zahradnik also attended the 75th session of the International Bank for Economic Cooperation (IBEC) and the 52d session of the International Investment Bank (IIB). Both sessions were held "at a sensitive time when the very survival of these banking institutions—in which, incidentally, Czechoslovakia is the second biggest shareholder—is at stake." Commenting on the situation of these two banks, Zahradnik says that the "situation of the IBEC is more difficult because, until the end of 1990, it was the monopoly clearing place for CEMA countries." Because accounting took place "almost exclusively in transferable rubles," a currency that "died" on 1 January 1991, "the IBEC has lost its main means of subsistence and, if its wants to survive, it must move toward freely convertible currencies and operate just like any other commercial bank." Another source of the IBEC's problems is that "some member countries do not meet their commitments

toward it." In spite of this, the IBEC closing account for 1990 showed a profit equivalent to 185 million European Currency Units.

The problems of the IIB are not as "acute," according to Zahradnik, because two-thirds of its operations have always been carried out in convertible currencies. Zahradnik believes that "both banks have a chance [to survive], but the IIB has some relative advantages, including the fact that it is less vulnerable to fluctuating market conditions."

State Official on Subsidies, Slovak Deficit

AU0805083691 Prague HOSPODARSKE NOVINY in Czech 2 May 91 pp 1,2

[Report on interview with Stefan Bazant, head of the Ministry of Finance Budget Department, by Marcela Doleckova; place and date not given: "The State Budget Is Not an Enterprise 'Insurance'"]

[Text] As of today, the indirect tax burden on the population has diminished as the sales-tax tariffs have been reduced. Only the zero tariff remains unchanged, the others are reduced to 11 (from 12), to 20 (from 22), and 29 (from 32) percent. On an annual basis, it means that the state budget revenues will decline by as much as 7 billion korunas.

The fact that the state decided to take this step indicates that the current financial situation of the state is in relatively good shape. In an interview for HOSPODARSKE NOVINY Stefan Bazant, head of the Ministry of Finance Budget Department, noted that the budget surplus in the first quarter amounted to 15.2 billion korunas. This may seem a lot, particularly in comparison with the expected annual surplus of 8 billion korunas. However, the first quarter usually is atypical: Namely, numerous draining outlets open later in the year. That is the case, for instance, with the funds assigned for structural changes. While, the delayed spending of these funds reflects favorably in the present state of the budget, it also indicates that the structural changes are not taking place.

Moreover, in the first quarter, the state budget benefited from the growth of enterprise profits, which were reflected in higher taxes paid. In some cases, however, the greater profits could only be a result of overvaluation of the stock. Still, the question remains whether the goods will be marketable with their increased prices. After all, it was to encourage demand that the Federal Ministry of Finance reduced the sales tax. According to preliminary estimates, the price of a Favorit [car], for instance, could go down by as much as 7,000 korunas but the impact will be only minimal with respect to goods taxed less and with lower prices.

On the other hand, the burden on the state budget in the first quarter was greatly increased by the prolonged subsidies of heating and heat energy for small consumers. At the same time, even after the increase of retail prices (as of 1 May), the subsidies will not be discontinued entirely: even then, according to Director Bazant, these prices will be approximately one-third subsidized.

This brought the conversation to the topic of subsidies in general and to the frequently expressed opinion of the readers who ask with bitterness what happened to the millions used formerly to subsidize all kinds of things. The subsidies that used to be granted were in fact just a huge mechanism of redistribution that helped to keep the unviable alive by support from the capable via the state budget. The market economy limits the redistribution role of the state budget: For instance, profit tax declined from last year's 65 to this year's 55 percent—that translates to a 12-million-koruna reduction of state budget revenues. Since these taxes were also reduced by 10 percent in 1990, the state reduced its revenues by 24 million korunas in only two years. However, the state thereby emphasized its philosophy that the enterprises must bear responsibility for their own prosperity. The state can no longer be "an insurance" against economic failure.

The state further reduced its revenues by 4 billion korunas by reclassifying the almost 2,000 sales-tax categories to only four. Despite the fact that in the process it also discontinued the negative taxation—or subsidies—the total effect on the state treasury was a negative one.

Of course, the state is not altogether avoiding the policy of subsidies as such, and some subsidies are expected even in the coming years. However, ineffective enterprises should not be subsidized. Subsidies in agriculture, transport, and also, in the near future, for instance, in the phase-out programs will continue.

Regarding the anxiety about political developments in Slovakia and the apparent decision of the local political forces to adjust the adopted scenario of the economic reform in some way, there remains the possibility that the planned surplus of the Slovak Republic will not be realized. Director Bazant commented on the so far perhaps only theoretical possibility of a budget deficit on the republic level by saying that there would apparently have to be assistance from the federal budget. In the long run, the budget deficits on the federal or on the republic level should be dealt with by state-issued debentures. However, this has to be approached very carefully during the transitional period to discourage inflation.

TU Activities Assessed; New Leaders Elected

AU0705120591 Prague PRACE in Czech 27 Apr 91 p 1

["pa, zr"-signed report: "Minimum for One Million; General Council of the Czech and Slovak Confederation of Trade Unions Prior to the Meeting of the Tripartite Council"]

[Excerpts] Brno— [passage omitted] Yesterday's meeting of the General Council of the Czech and Slovak Confederation of Trade Unions [CSKOS] in Brno assessed the activity of

the CSKOS thus far. The one year of the federal confederation's existence has demonstrated that the trade unions still lack a conceptual program and that their aims are rather of an operative nature. The inadequately planned strategy has been reflected in the course and results of tripartite talks with the government and employers. As for the CSKOS's relations with the Federal Assembly, the tactics of participating in talks of parliamentary committees has hardly proved to be effective. Personal contacts with individual deputies have yielded better results. [passage omitted]

Richard Falbr and Vladimir Zizka were released, at their own request, from the posts of CSKOS vice presidents, and the General Council replaced them with Pavel Hajek and Vaclav Vanek. The term of CSKOS President Roman Kovac has been extended until 30 September 1991. In conjunction with these personnel changes, the CSKOS General Council adopted a statement, according to which members of political parties' organs must not hold offices in the CSKOS leadership. The General Council respects, however, the right to conduct talks on cooperation with political parties, especially in the field of social policy.

Green Party Chairman on Party's Strength

AU0805133391 Prague RUDE PRAVO in Czech 3 May 91 p 3

[Interview with Jiri Kapralek, chairman of the Green Party, by Pavel Kryl; place and date not given: "We Do Not Want To Live in Caves and Use Kindling Wood for Lighting"—opening paragraph is RUDE PRAVO introduction]

[Excerpts] Doctor Jiri Kapralek, originally a veterinarian by profession, is the statewide chairman of the Green Party. Kapralek, who is 32, currently works at the Regional Department of the Ministry of Agriculture in Opava. [passage omitted]

[Kryl] How big is your party?

[Kapralek] The Green Party operates statewide and is made up of three components—one operating in Bohemia, one in Moravia-Silesia, and one in Slovakia. Before the parliamentary elections, we had several tens of thousands of members. Because of some departures after the elections, our present membership is in the range of thousands. The Green Party in Slovakia has six deputies in the Slovak National Council. The majority of the Green Party's candidates running in the communal elections were elected. We even have "green town halls" and mayors.

[Kryl] What opportunities do you have to present yourselves to the public?

[Kapralek] These opportunities are still relatively small. In Moravia and Silesia we publish the biweekly ZELENI VZTEKY [Green With Fury], which is also distributed in Bohemia. In Slovakia we publish ZELENE SLOVENSKO [Green Slovakia] and in North Bohemia NAHLAS [Aloud] and other regional periodicals. [passage omitted]

Minister Klaus Rejects Leading Role for Party

LD0805084891 Prague Domestic Service in Slovak 2100 GMT 7 May 91

[Text] Federal Minister of Finance Vaclav Klaus, speaking at a meeting in Pardubice, stressed that his Civic Democratic Party does not want to play a leading role in society but intends to be an integrating force on the right. Right-wing democratic parties and movements, he believes, should go to the next elections united.

Minister Klaus pointed out that the present Federal Assembly Presidium does not reflect the real political situation and spoke in favor of its reconstruction.

Concerning the speculations about Vladimir Dlouhy [federal minister of economy] leaving for the Czech Government, Vaclav Klaus said there is no reason at all for the present minister of economy to leave the federal government.

Civic Democratic Party Meets Parliamentary Posts

LD0805184291 Prague CTK in English 1154 GMT 8 May 91

[Text] Prague May 8 (CTK)—Amid calls for a reshuffle in Czechoslovak Parliament and Czech Government bodies, the Civic Democratic Party (ODS) believes that the question whether the entire Presidium of the Federal Assembly (parliament) should be elected anew or only some of its members should be replaced, is still open.

The party's view was expressed at a regular press conference held by ODS Deputy Chairman Miroslav Macek. He confirmed that the ODS is interested in the post of first deputy chairman of the Federal Assembly, currently held by Zdenek Jicinsky, a Civic Forum (OF) deputy who has not joined the ODS, which was formed from one of the OF factions when the Forum split last February. The ODS maintains that its representation on these bodies is not commensurate with its strength in parliament.

The ODS will not seek the dismissal of Alexander Dubcek as Federal Assembly Chairman, Macek said.

Nor will the ODS press for changes in the Czech government or call for the dismissal of the minister for agriculture. Even so it has its candidates for the three posts that are or may become vacant: Commercial Bank Deputy Manager Jan Strazsky for Czech Deputy Premier, Josef Cervinka of the Agriculture Ministry District Office in Bruntal, North Moravia, for minister of agriculture and Federal Assembly Deputy Igor Nemec for minister of control.

Referring to earlier reports that the ODS will harmonize its activities with the Civic Democratic Alliance (ODA), another former OF group and now an independent right-wing party, Josef Zeleniec of the ODS advisory board said they agreed on joint steps and on closer ties so that they could merge in future. Their aims are practically identical.

New VPN Chairman Interviewed on Policy Plans

LD0905080991 Bratislava Domestic Service in Slovak 1000 GMT 8 May 91

[Inteview with Jozef Kucerak, chairman of the Public Against Violence Slovak Council, by Michal Tvarozek in Bratislava on 8 May—recorded]

[Text] [Tvarozek] Is the change in the position of chairman likely to alter the orientation and direction of VPN policy?

[Kucerak] There will be no substantial change, for there is a continuity that will be preserved. We must, of course, take into consideration the fact that we have already split into two movements and that the end result was certain change, which was implemented in a natural manner. We also envisage that in the next two or three months we will clarify the shape of our movement and will discuss how to make our policies more specific. Within the movement, we will also discuss whether a certain system of rules are suited more to the principles of a party than a movement. This does not mean, however, that a party would come into being.

[Tvarozek] Until recently you were a leading official trying to assert economic reform in Slovakia, or rather one direction of it. Will you continue (?this trend) while in the post of VPN chairman?

[Kucerak] Of course I will, for it follows, on the one hand, from my profession, and on the other hand, from our movement's responsibility for the progress of economic reform, which we regard as very important. We will continue to do this in various ways, primarily by nominating our candidate Mr. Vavro to the post of deputy prime minister. Furthermore, at coalition talks we will be tackling important issues concerning implementation of economic reform and, of course, through our deputies we will actively participate in the drafting of economic reform legislation.

[Tvarozek] What will be your prime task in regaining the credit that [the VPN] had some six or 12 months ago?

[Kucerak] First of all, we will of course have to gain a clear idea of our membership basis, so to speak, or the supporters' basis. We must also consistently continue the policy of winning citizens for the principal values of our movement. These are the principles of basic human and civil rights, the principle of preserving the federation, the principle of implementing the market economy capable of providing a consistent guarantee of social certainties in a more consistent way than is done by various left-wing forces. I feel that we will win citizens for this policy if we continue to assert and further specify these principles in our movement and our policy.

[Tvarozek] The resolution from the Council's extraordinary session held yesterday speaks also about the stand you have taken vis-a-vis attacks on Mr. Dubcek. Can you expand on this a little, please?

[Kucerak] Yes I can, but only very briefly. Certain rumors were flying around that Mr. Dubcek's recall is in the pipeline. We are concerned about these rumors. These rumors are generated despite the fact that many parties and movements, even in the Czech Republic, said that they did not want Mr. Dubcek to be recalled. Our resolution therefore expressed our concern over this disinformation. The fact should be considered that Mr. Dubcek has been nominated by the VPN Movement and that his nomination is due to last two years. This is the fact from which we continue to proceed.

[Tvarozek] Which post—deputy prime minister or movement chairman—do you consider more demanding, more complex, and more difficult?

[Kucerak] I will answer this question in three months at the VPN assembly.

[Tvarozek] When Mr. Gal returns in three months, will you consider giving the post back to him, if he so desires?

[Kucerak] I do not know.

Miklosko on Meciar's Platform, Slovakia

AU0805130691 Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in Czech 3 May 91 pp 1, 2

[Interview with Slovak National Council Chairman Frantisek Miklosko by Petr Novacek; in Kosice on 27 April: "Even the Lebanese Cedar Will Fall"—first paragraph is CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY introduction]

[Text] Although he was absolutely exhausted, he fulfilled his promise. On Saturday [27 April] evening, following the Public Against Violence [VPN] movement's extraordinary assembly in Kosice, Slovak National Council [SNR] Chairman Frantisek Miklosko—the movement's leading representative—gave us an interview.

[Novacek] You expressed your regret here that one man called Meciar had managed to sow discord between the VPN and those of you who stood by its cradle. However, the former prime minister is—to say the least—a national hero to many Slovaks, while—on the contrary—the SNR Presidium, which recalled him, is subject to shameful rebukes. Mr. Chairman, how do you feel about this?

[Miklosko] From the point of view of Slovak political consciousness and culture, I consider it extremely important that the SNR Presidium recalled V. Meciar as soon

as he exceeded certain behavioral norms. This is despite that fact that Meciar was—and is—popular, that public meetings are being organized to support him, and that we face the threat of strikes and society's collapse. This situation has no parallel in the history of Slovakia. In Slovakia we have always had leaders who stayed leaders until they died. I feel good about the SNR decision; this tells me that we are perhaps really initiating an era of parliamentary democracy.

[Novacek] However, what about the aura surrounding Meciar? Will the SNR publish material to convince the Slovak public that it was correct to recall him?

[Miklosko] This would resolve many things, but it is a delicate issue. We would have to publish the specific names contained in the lists that Prime Minister Meciar—as he says—found by chance one morning on his desk and on the basis of which he then decided to take certain steps. As far as I know, these lists concern people from the cultural sphere, from the mass media, and from political life. It was not confirmed whether anyone cooperated in any way with the State Security and, despite this, the above-mentioned people were manipulated in certain ways. If we were now to publish the appropriate documents and the names contained in them, we would be doing something similar—although for different reasons—to what the former prime minister did.

[Novacek] How does the screenings issue seem to you now, an issue that is still open in the SNR?

[Miklosko] This is an issue with which, of course, we have to come to terms. You know, I have a secret plan. If I remain at the head of the SNR and if I win its support for my plan, I would like to implement it.

It would involve more than screenings. Its purpose would be to clean up the SNR so that it comes to terms with the whole of its past and so that the Slovak parliament arising out of the next elections can only look forward. I am thinking about it. I would like to discuss my plan with the president and with Czech politicians.

[Novacek] The VPN is in favor of holding elections at the time already set for them, while Mr. Meciar and his For a Democratic Slovakia [ZDS] platform have expressed themselves in favor of holding early elections. If they were to submit such a proposal in the SNR, would it be passed? What do you think?

[Miklosko] This is a very frivolous demand. First of all, the SNR would have to adopt an appropriate law on early elections. Given today's composition of political forces, discussing such a law would bring anarchy into the SNR. This reminds me very much of Communist practices—tension is whipped up and it increases until someone comes up with the theory that only a firm hand can prevent general collapse. As long as I am able, I will struggle with all my might against such methods.

[Novacek] However, early elections are not the only threat. The ZDS platform is moving into "constructive opposition," and is refusing to conclude an agreement with the VPN on adhering to strictly parliamentary forms of political competition—forms without public rallies, strikes, and other acts of pressure. Does all of this not arouse anxiety in you?

[Miklosko] Constructive opposition means the same thing to me as constructive destruction. Making strike threats is a form of pressure. Apparently Mr. Meciar proclaimed here in the lobby that, after the general strike that is supposed to take place in Slovakia on 6 May, those of us who sat in the chair at the VPN assembly will definitely be political corpses. You know, an old priest who had survived the camps once said to me: "I saw the Lebanese cedars fall." Sometimes even people who seem untouchable and eternal suddenly disappear and no one remembers them any more. Therefore, Meciar's big words about the future do not bother me too much.

[Novacek] In your opinion, what can the Slovak Government and the SNR do to stabilize the situation?

[Miklosko] The government must concentrate on a clear program for economic reform and must rapidly convince the public that it is actually doing something in this regard. The SNR must deal with the necessary economic laws and—mainly—the constitution. Let us hope that the SNR will become politically united while working on the constitution and that, at the same time, correct relations will be established with the Czech Republic. If this is accomplished, the public's attention can be reoriented in other positive directions during the course of two or three weeks.

[Novacek] Many people are unhappy that—without holding elections—the VPN handed the premiership to the Christian Democratic Movement's Jan Carnogursky. Would you like to comment on this?

[Miklosko] Taking over such responsibility at the moment is not something to be envied. The main thing during our decision making was not party affiliation. We wanted to make sure that a well known and trustworthy man with a strong personality assumed the premiership. Following its disputes with Mr. Meciar, the VPN would have found it difficult to nominate such a person; a third party would offer a better chance of calming the situation down. I personally think that Dr. Carnogursky is the very person who can stabilize our stormy situation.

Meciar Calls For Reshuffle in National Council

LD0905052591 Prague CTK in English 1901 GMT 8 May 91

[Text] Bratislava May 8 (CTK)—Ex-Slovak Premier Vladimir Meciar told journalists here today Monday's strike by workers in 80 Slovak factories (out of a total of 8,000) had not been initiated by his Movement for Democratic Slovakia (HZDS) [ZDS].

Slovak workers protested against Meciar's allegedly undemocratic recall and called for a Slovak National Council (parliament) reshuffle.

Meciar said the HZDS will demand a reshuffle in the Slovak parliament Presidium on the basis of proportionate representation of current political parties and movements, as 19 deputies of the 150 deputies support the HZDS.

The HZDS will also demand the dismissal of Czechoslovak Foreign Trade Minister Jozef Baksay who was appointed to the post without the VPN [Public Against Violence] Slovak Council's knowledge, Meciar said.

The HZDS officially withdrew from the VPN at a VPN extraordinary session in Kosice, East Slovakia, on April 27. It was registered as a political entity in Slovakia on May 3.

Meciar said the HZDS does not want to be in the government coalition, it is in the opposition. It was forced to go into opposition by the VPN's unprecedented denial of the results of the 1990 parliamentary elections and of its responsibility for the fulfilment of the election programme and the transference of this responsibility onto the Christian Democractic Movement (KDH—its chairman Jan Carnogursky replaced Meciar). This course of action is unacceptable to the HZDS, Meciar declared.

Slovak Interior Minister on StB in Police Force

AU0805155191 Bratislava VEREJNOST in Slovak 3 May 91 p 3

[Interview with Slovak Interior Minister Ladislav Pittner by Juraj Gressner; place and date not given: "Fight Against the Mafia on the Horizon"]

[Excerpts] [Passage omitted] [Gressner] Citizens expect specific and positive deeds from the police.

[Pittner] The intervention in front of the Slovak parliament [on 24 April, during a demonstration against the dismissal of Vladimir Meciar from the post of Slovak prime minister], when a part of the crowd tried to break into the Slovak National Council building, could be regarded as the first such deed. Thanks to the intervention by the police, the assailants did not succeed.

[Gressner] Is it true that former StB [State Security] members were among the assailants?

[Pittner] They did not directly assail the gate of the Slovak National Council building, but they were among the crowd.

[Gressner] Are there no former StB members in the present police force?

[Pittner] The overwhelming majority of former StB members were discharged from service in the police force and are now civilians. In Slovakia, only 213 former StB members work within our ministerial department, all of them in the order-keeping forces, which means that they do not hold any management or command posts.

[Gressner] How many members did the StB have in Czechoslovakia?

[Pittner] I do not know the exact figures because the StB was within the jurisdiction of the Federal Ministry of Interior, but I assume that there were around 10,000. [passage omitted]

[Gressner] Can we look forward to an improvement in the present situation, which is marked by growing crime?

[Pittner] Allow me to draw a parallel. Denazification in Germany took almost 30 years, although nazism did not last more than 12 years. Communism in our country ruled for more than 40 years, so it will take at least two to three generations before our society is completely debolshevized.

[Gressner] Mr. Pittner, one last question. Have the latest changes in the Slovak Government not shaken your seat? People are of the opinion that the prime minister and the minister of interior should not come from the same movement....

[Pittner] They are misinformed. I have never been a member of the Christian Democratic Movement [KDH]. In November 1989 I even founded the Public Against Violence [VPN] organization at my work place at that time.... Later, in view of my previous dissident activity, the VPN and the KDH proposed me jointly for the post of Slovak minister of interior. In other words, the changes in the Slovak Government should not make my seat shake....

Foreign Ministry Secretary Views Regional Security

LD0805220691 Budapest MTI in English 1939 GMT 8 May 91

[Text] Budapest, May 8 (MTI)—The aim of Hungary's foreign policy is to become a fully-fledged member of the EC. However we do not want to set a date for this and can wait until we are prepared both politically and economically before we become a member. At the same time, in the period of transition, Hungary needs help, Tamas Katona, state secretary of the Hungarian Foreign Ministry said in Budapest on Wednesday at a Hungarian-German parliamentary meeting organized by the Hans Seidel Foundation's Foreign Relations Institute.

It is only a network of bilateral, regional and pan-European agreements that can guarantee the security of Europe and prevent the isolation of any of the countries in the period of transition up to the year 2000.

A significant factor in the changed conditions of European security is NATO, which should provide a guarantee for the security of the region. At present, Hungary does not seek to join NATO. It has requested, however, that the Western European Union (WEU) give Hungary a chance of becoming an associated member.

Hungary and the other states of East-Central Europe have no intention of acting as a "buffer zone" again, neither do they wish the two halves of Europe to be separated by a "social iron curtain", Katona stressed.

Speaking about Hungarian-German economic ties, Ernst Hinsken, member of the Bundestag and chairman of the economic team of the Christian Social Union faction, stressed that for Germany, Hungary is a main bridgehead on the way towards East European markets.

Foreign Minister Cited on Policy Successes

LD0905051191 Prague CTK in English 1957 GMT 8 May 91

[Text] Budapest, May 8 (MTI)—At a political forum organized in Debrecen on Wednesday, Hungarian Foreign Minister Geza Jeszenszky spoke about the biggest successes of Hungarian foreign policy in the previous year.

According to Jeszenszky, the most significant results were Hungary's joining the Council of Europe and the dismantling of the military organization of the Warsaw Pact.

Speaking about the situation of minorities in neighbouring countries, Jeszenszky said there was a chance for coming to agreement only if the governments of the countries in question maintained good relations.

Answering a question concerning his eventual visit to Romania in the near future, Jeszenszky said, "I will go anywhere if any results may be expected from the visit."

National Assembly Body Discusses Soviet Treaty

LD0905082491 Budapest Domestic Service in Hungarian 1600 GMT 8 May 91

[Text] The National Assembly's Foreign Affairs Committee listened to the report by David Meiszter, deputy state secretary for foreign affairs, about the present stage of preparation of the Hungarian-Soviet basic agreement and some other questions of Hungarian-Soviet relations.

The parties have coordinated almost the entire text of the basic agreement. At the last session they agreed on paragraphs that outline the treatment of national minorities, handling disputed questions, and the situation of war graves and memorials. However, there is no agreement in the most important point of the contract, regarding security and the security guarantees to be given mutually. In David Meiszter's opinion, while the quiet work of diplomacy was going on, the press made too much noise about the affair. Sharp statements were made by both sides, which made maneuvering impossible for both parties—at least for the time being. The deputy state secretary emphasized that one can and must wait until a compromise which is acceptable for both parties is worked out. However, regardless of whether the agreement is completed or not, the visit of the Hungarian foreign minister, and perhaps, at a later date, even the prime minister's Moscow trip will take place.

The Prague summit of the Warsaw Pact is planned for the beginning of July, where the majority of the member states will declare the dissolution of the [pact's] political organization. However, at this time neither the date nor the level of the Prague meeting is certain.

This is what members of the National Assembly's Foreign Affairs Committee learned this afternoon. Afterward they discussed their own work plan.

TU's Send Joint Appeal to Governments

LD0805192791 Budapest MTI in English 1354 GMT 8 May 91

[Text] Budapest, May 8 (MTI)—The Hungarian and the Soviet Governments should find mutually acceptable financial means for the offsetting of the Hungarian trade surplus and the settling of accounts regarding the withdrawal of Soviet troops from Hungary, runs the joint appeal from the National Association of Hungarian Trade Unions and the General Federation of Soviet Trade Unions to the governments of the Republic of Hungary and the Soviet Union. The document was issued simultaneously in Budapest and Moscow on Wednesday, in a reaction to the drastic deterioration in bilateral trade and business links which is having a highly adverse effect on Hungarian and Soviet workers alike.

The major drop in Hungarian exports to the Soviet Union threatens the closure of companies specialized in

production to the Soviet market, involving tens of thousands of workers. On the other hand, the Soviet economy is in short supply of Hungarian machinery, components, medicines and foodstuffs.

As a temporary solution, the two trade unions propose resuming barter deals between Hungarian and Soviet companies under the supervision of a joint barter committee, including experts of the two trade unions.

Sources Report Reinforcements on SFRY Border

AU0805140991 Budapest MAI NAP in Hungarian 5 May 91 p 3

[Report by Dano: "Compulsory Visas for Refugees"]

[Text] According to information from government circles, following this week's events in the SFRY, Hungarian authorities have prepared themselves for a worsening of the crisis.

So far, Hungary's state of preparedness along our border with the SFRY is not as great as it was during the Gulf war. However, police guards have been reinforced in settlements along the border. The authorities definitely want to keep those armed men on the other side of the border. If necessary, to complement strict customs controls, they might introduce compulsory visas for those who wish to enter Hungary. We have also prepared ourselves for a possible of refugees: Sites for refugee camps have been designated—mostly schools and big cultural centers—and large quantities of medicines and foodstuffs have been stored near these camps.

Janos Zubek, spokesman for the border guards, confirmed that so far, his men are carrying out their normal "everyday" tasks along the border. The Yugoslav events are taking place far away and there is no need for any preparations at this stage. According to the spokesman, we need not fear the possibility of armed refugees. Asked whether it would be possible to close unobserved border stretches so that armed men could neither enter nor leave the country, Zubek did not give a clear answer. If the problem arises, we will find out anyway.

Interior Minister Addresses Assembly

LD0805090491 Budapest Domestic Service in Hungarian 0920 GMT 7 May 91

[Speech by Interior Minister Peter Boross to the National Assembly in Budapest—live]

[Excerpts] Mr. Speaker, Esteemed National Assembly. The currently renewed bill on the trnsferring to self-government of individual objects of property that are in state ownership is not the first step in the course of settling the ownership relations of local self-government. With the ownership of public assets, the modification of the Constitution created an essential turn last year, when it acknowledged the self-governments' right for ownership, breaking with the principle of unified state property. The law passed on local self-government made it possible for objects of property to be transferred free of charge from the ownership of the state to the ownership of the self-governments. According to this law the councils and its organs as well as state properties which are handled by its institutions, apart from historic monuments and protected natural areas, become the property of the legal successor self-governments. On 30 September 1990 the building assets that guaranteed the functioning conditions of some 26,000 local institutions, all the fields, public areas, and buildings that were handled by the councils, were transferred to the ownership of the self-governments. This law left the description of the other objects of property which were to be transferred to the self-governments to a separate law. [passage omitted]

Into the ownership of self-governments will be transferred the full assets of some 200 public utility companies supervised by self-governments, a substantial proportion of water companies and water industries serving the populations, and in Budapest the companies providing gas and public transportation as well.

According to the proposal the self-governments will receive the state assets free of charge and they do not have to take over a proportional share of state debts. Naturally they are responsible for debts with respect to certain assets, according to civil law, up to the value of the assets. I would like to mention here that the government had been guided during the drafting of the bill by the intention of giving the self-governments all assets that are necessary for their operation and for the operation of their institutions and companies providing public services.

Within this range of assets the interests of the self-governments must have absolute priority. The bill had been prepared with this in mind.

The legislation to establish the property ownership of self-governments is not closed, however, by this bill. There are a number of assets whose transfer to self-government ownership the government wishes to propose later. These assets do not belong to the range that are necessary for the self-governments to fulfill their statutory duties. for the allocation of these groups of assets, we can list for example land on the periphery, the decision will have to be made taking into consideration the just rights of other organizations as well. We will put forward our proposal later with attention to these aspects as well.

Esteemed House! During the preparation of the bill we paid special attention to outline the government's ideas to the self- governments and their interests representing organizations, and to make sure they understand and

accept the principles and purpose of the property transfers. During the coordination of views and interests we managed to come to an agreement on several questions. But the government could not accept a few extreme and one-sided demands and does not recommend to the parliament to accept these either.

Such a demand had been, for example, the transfer into self-government ownership of the productive, service, trading, and catering establishments that had been under council supervision. the government does not support this because the proposal does not take into consideration the functions of self-governments, the burdens of the state, or that during the implementation of privatization in this area, in accordance with the existing legal provisions, the self-governments will be receiving significant share of the revenue—as is known a 50 percent share.

Several representatives of the self-governments, disregarding the national connections as well, had been asking for the transfer of part of the state properties in their area. They had also suggested that they have a share of the ownership of investments partly or fully carried out from council funds, even if the property had not been handled by councils or been council managed undertakings.

The government does not agree that the settling of the property situation of the self-governments should be accompanied by the transfer of the as sets of economic units. These two areas must not be mixed up. [passage omitted]

In accordance with the law of local self-governments the assets transfer committees will transfer into the ownership of the local self-governments those state-owned lands that had, at the time of the introduction of the law, belonged to the inner region [belterulethez tartozott], excerpt lands that had been exclusively state property. Most of the disputes during the preparations took place over this question. Many wished to interpret this rule in a wider sense, so that all state-owned inner region land should be transferred to the self-governments, regardless of whether they had been built on or not.

For the self-governments the built-up lands represent dead capital they could collect rent or charge for use, but this would have an inflationary impact on the price of the product and would reduce the business position of the companies.

In the case of built-up land managed by companies, the transfer of the ownership would also be counterproductive because in the case of the company being transformed part of the business or shares to the value of the inner region land area is in any case due to the self-government. By taking away the land from the companies we would be interfering in the normal process of economic management, and would interfere with business plans and calculations without justification.

I am asking the esteemed House also to take into consideration that at present the above mentioned bill can be implemented only in a limited sense because the area of exclusively state owned land has not yet been established. In addition to those outlined in the proposal, further undeveloped land can be given into local self- government ownership only when with the creation of the law on state property clarifies what is outside this category. [passage omitted]

Esteemed National Assembly! Parallel to the preparations of the bill, debate had gone on concerning the property of the metropolitan self-government. One of its crucial points had been into which legislation should the rules concrning metropolitan self-government properties be incorporated, into the metropolitan bill or the self-government properties bill. It had also been discussed whether the division of properties between the metropolitan self-government and the district self-government should be determined by law or by the metropolitan assembly.

It is the view of the government that at the transfer of state property to self-governments the metropolitan and other self- governments cannot be treated separately. The metropolitan self-governments should receive their share of the state property on the basis of the same principles as any other self-governments. It is known that in connection of the bill on metropolitan and district self-governments the lord mayor of the capital and the district mayors had reached an agreement, which has aspects concerning property as well. From these the government included in their proposal all those which are in tune with the nationally applicable principles. The government also agree that certain assets should become the property of the capital and not the districts in the interest of the unified metropolitan character. With this solution only those questions would be incorporated in the bill on the metropolis which require special regulations, while all other property regulations, applicable to all self-governments, are included in the present bill.

Here I must add that the matters concerning the capital give grounds for some concern. I believe that the handling of the financial and other affairs of a world capital requires greater professionalism and mostly greater loyalty toward each other.

Esteemed National Assembly! Understandably, the self-governments had been urging and are urging the earliest passing of the law. I would like to state that the creation of this law is not only in the interests of the self-governments but the government as well. At the same time it must be understood that decisions had to be made about properties of a great variety of uses and of very large volume, and in the course of this a great many,

frequently diametrically opposite interests had to be brought closer to one another. The bill therefore could only be presented after lengthy coordination of interests.

I wish to inform the esteemed House that the government had prepared the public administration implementation of the present bill in time. Already during the past year orders had been issued on the establishment of county and metropolitan property transfer committees and about the organization of working groups assisting them in their activities.

Leaders and members of the property transfer committees had been appointed on the instructions of the government. The committees are working as ad hoc public administration bodies and have official authority. On the basis of their decisions will the state properties set out in the proposal be transferred into self-government ownership.

Esteemed House! We cannot find an example of self-governments obtaining properties without payment in such a wide area as now in Hungary. I am confident that these properties will go into the hands of good owners, for this the institutional and political conditions are given. But even greater guarantees are the determination and will to act which representatives of the self-governments, a great majority of their leaders, had already demonstrated. I could mention as examples the very constructive activities of several of our towns.

I am asking the esteemed House, rejecting the extremist attitudes and following an objective debate, to accept the bill.

Free Democrats, Socialists on 6-Party Talks

LD0805110991 Budapest MTI in English 0649 GMT 8 May 91

[Text] Budapest, May 8 (MTI)—Both the Alliance of Free Democrats (AFD) and the Hungarian Socialist Party (HSP) have taken a stand on the six-party co-ordinatory talks.

In a letter addressed to the presidents of the parliamentary parties, the AFD stresses that similar talks should only be held for extraordinary reasons since any consensus reached outside parliament suspends the power relations created by the elections. In the Free Democrats' view, the governing coalition should make it clear in what it needs political support from the opposition. The AFD considers it indispensable to discuss the situation of the Hungarian trade union movement, and the legal status and financial standing of local governments. The Alliance is prepared to discuss any other question if all parties declare that they see no obstacle to concluding verifiable and binding agreements.

The HSP's negotiating delegation handed over its proposals to the other parliamentary parties and the president of the Republic. In the socialists' view, the six parties should achieve a political agreement and define what solutions they hold as acceptable. The talks should focus on economic transformation, the ways of surmounting the crisis and, within that, privatization, anti-inflationary measures, preventing the collapse of the agrarian sector, transforming the country's foreign economic strategy, handling of unemployment, strengthening the system of democratic institutions, establishing a mechanism of interest co-ordination for guaranteeing employee rights, and joint actions against the extremist, unconstitutional forces.

FEC Statement on Halting Violence

LD0805192391 Belgrade TANJUG Domestic Service in Serbo-Croatian 1820 GMT 8 May 91

[Text] Belgrade, 8 May (TANJUG)—At its session today (presided over by Ante Markovic), the Federal Executive Council [FEC] examined and adopted a report by the FEC president on his talks with the leadership of the Republic of Croatia on the latest events in this republic and on the course of the debate in the SFRY Presidency on the political and security situation in the country.

In view of the dramatic situation in the country, which regardless of the present return to calm, contains all the elements of possible further serious deterioration, the FEC concludes that it is necessary with utmost urgency to take all measures to prevent a further exacerbation of the situation.

The FEC considers it necessary to ensure the space and time for a peaceful and democratic resolution of the problems, above all by legal means.

With the aim of preventing the development of events that would pose a danger of conflicts of wider proportions and new victims, the FEC concludes:

1. That the legal security of citizens should be ensured at once with full observance of human rights and the freedoms of all nations, nationalities, and the entire population; that the property of citizens be protected; and the functioning of legitimate order in the republics and throughout country is ensured.

The FEC considers that in particular legal order, personal safety, and security of people's property should be ensured in accordance with the SFRY Constitution and the constitution of the Republic of Croatia, in cooperation with federal agencies, on the basis of political dialogue and without the use of force and violence.

2. Until such time as a final agreement is reached on the future system of relations in the Yugoslav community, attempts to reshape [prekrajanje] Yugoslavia or its individual parts will not be allowed nor changes made to the internal or external borders of the country.

3. A demobilization should be carried out immediately of reserve units of police or militia forces, and the confiscation of arms from citizens and their deposit in appropriate stores that are under the control of the competent authorities should be organized.

4. The prescribed measures should be taken immediately in accordance with the law to prevent the activity of political parties, groups, and individuals who are inciting interethnic hatred and conflicts, encouraging violence, and thereby endangering human freedoms and rights, including the lives and property of the people.

5. Conditions should be created immediately so the Yugoslav People's Army may carry out its basic function unhindered in accordance with the SFRY Constitution and federal laws, protect the borders of Yugoslavia, and in the present situation prevent interethnic armed conflicts.

6. The propaganda war, which is having a dangerous influence on inflaming interethnic conflicts in Yugoslavia, should be stopped at once.

7. All political, party, and other activities that lead to the exacerbation of relations should be stopped at once, and state and party officials should publicly take a stand on this, regardless of their political or party affiliation.

8. The FEC in particular calls on the government and other competent authorities of the Republic of Croatia to take immediate necessary measures to protect all the freedoms and rights of citizens on the territory of the Republic of Croatia, particularly citizens of Serbian nationality, and to guarantee the inviolability of personal security and the security of property of all citizens in the Republic of Croatia.

With the aim of reducing tensions and ensuring the security of person and property, it is essential to provide compensation for property that is damaged and destroyed belonging to citizens and legal entities.

To facilitate the necessary conditions for the life of citizens and economic and other work, it is necessary to ensure that all communications are unobstructed and that infrastructural facilities are operating normally.

9. With the aim of objectively establishing all circumstances and informing the public, the competent federal authorities will also cooperate with the competent authorities of the Republic of Croatia and will take specific measures and actions to remove contentious issues on the spot.

10. In executing these conclusions it is necessary to establish the full cooperation of the competent federal authorities with the relevant entities of the Republic of Croatia.

11. The FEC again insists on the immediate removal of all blockades and the establishment of economic, financial, and market operations in the country necessary for the normal functioning of the Yugoslav market on the bases of the program for ensuring the functioning of the system in the transitional period as the basic prerequisites for peace and stability in the transitional period and the beginning of the association of the Yugoslav community with the FEC.

The FEC, within the framework of its powers, calls for the effective implementation of these measures and will monitor their realization on a daily basis. In this the FEC is counting on the full cooperation of the republican governments and other competent republican entities.

Presidency Statement on Ending Conflict

LD0905031191 Belgrade TANJUG Domestic Service in Serbo-Croatian 0148 GMT 9 May 91

[Text] Belgrade, 9 May (TANJUG)—The session of the SFRY Presidency, chaired by President Jovic, ended early this morning in Belgrade. The session considered the current political situation in the country.

The president of the SFRY Assembly; the FEC [Federal Executive Council] president; the republican presidents; and, from Croatia, the president of the government took part in the work of the session.

Proceeding from its constitutional responsibility for the situation in the country and from the necessity to secure peace and normal conditions for the resolution of the Yugoslav crisis, the SFRY Presidency adopted a program of concrete measures and activities aimed at a permanent resolution of interethnic and inter-republican conflicts based on the principle of the full respect for the territorial integrity of the SFRY and the republics, i.e., legality and legitimity of the authorities in them, and on the principles of civil, personal, and national rights and the rule of law.

For the resolution of interethnic conflicts in the Republic of Croatia conditions ought to be created for the:

a) prevention of armed conflicts;

b) establishing the controversial issues causing interethnic problems; and

c) ensuring a democratic dialogue for their resolution.

To achieve this, the following needs to be done:

1. To guarantee and secure in line with the constitutional and legal order in the federation and the Republic in Croatia public peace and order, as well as national and civil rights of all citizens. All controversial issues will also be resolved through the engagement of appropriate federal bodies.

2. To ensure that all violence ends and peace is secured. To this end, an end is to be put to the movement of armed formations and civilians—apart from legal local bodies of internal affairs—in flash points of the crisis; an end is to be put to the movement of all armed formations and groups—apart from JNA [Yugoslav People's Army] and Federal Secretariat for Internal Affairs units—between areas with mainly Serbian population and other parts of Croatia.

This restriction will be applied for a month from the day the decision comes into force.

The JNA—which, in keeping with its constitutional role and orders of the SFRY Presidency, has been already deployed at flash points of the crisis—is responsible for the efficient implementation of this decision of the SFRY Presidency.

3. To immediately carry out demobilization of the reserve police force and, in line with law, to organize taking arms from citizens and storing them in warehouses under the control of appropriate bodies.

Appropriate federal and republican bodies are to carry out immediately a thorough investigation into armed clashes, victims, and material damage, and to inform the public about their findings in detail.

4. To immediately put an end to attacks on the JNA, its members, buildings, and equipment.

The SFRY Presidency assesses that the JNA is carrying out its tasks in line with the SFRY Constitution and federal laws, and that it, as the joint Armed Force of all our nations, is capable of successfully protecting the country's borders and preventing inter-republican and interethnic conflicts.

5. To immediately set up a parity group consisting of representatives of the Republic of Croatia and legitimate representatives of the Serbian people from Croatia to start talks about all controversial political issues regarded as causes of the crisis, such as: constitutional equality of Croatian and Serbian people, language, alphabet, national and state symbols, the right of a nation to self-determination including secession, a form of voting in a referendum, and the like.

6. In implementing this decision, peace in the country will be ensured, and thereby conditions for returning combat readiness of JNA units to the normal level.

The establishment of peace and security will enable a successful outcome of the talks on the political future of Yugoslavia, which in turn will contribute to overcoming interethnic problems.

These decisions, measures, and activities the SFRY Presidency adopted unanimously.

Defense Committee Assesses Situation

LD0805203291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1133 GMT 8 May 91

[Excerpts] Belgrade, 8 May (TANJUG)—The SFRY Assembly Federal Chamber National Defense Committee today most energetically condemned the propaganda campaign continuously being waged against the JNA [Yugoslav People's Army] and increasingly frequent attacks on the Army, which resulted in the killing and wounding of a soldier in Split. The Committee holds that all these attacks are an attempt to discredit and break up the JNA as a joint armed force of all nations and nationalities of Yugoslavia.

The Committee members demand that the Split culprits be legally prosecuted and support be given to efforts being made by the JNA to avert the spread of interethnic armed conflicts, and to secure conditions for a peaceful and democratic denouement of the Yugoslav crisis. The National Defense Committee calls on the JNA to protect

the lives of all Army members, regardless of where they are carrying out their national service.

At the beginning of today's session, the Committee members paid their last respects with a minute's silence to the soldier killed in Split, and also to all those who have been killed over the past few days in Croatia. After a few minutes of polemic over the agenda, a discussion was opened in connection with a "Report on the current situation in the Republic of Croatia, with a special mention of the Split events".

Admiral Stane Brovet, deputy federal secretary for national defense was the first to take the floor. He spoke in great detail on the already well-known chronology of the Split events, using identical formulations and allegations to those yesterday at a session of the Internal Affairs Committee. He began with a quotation from [Croatian President] Franjo Tudjman's statement in Trogir: "But so far you could have rallied five thousand people and held a protest meeting in front of the Naval District Command." He went on to describe the demonstrations in great detail, the killing and wounding of the soldiers, and then dwelled on the overall situation in Split on 6 May and the actions and moves made by the Army.

Brovet said that those responsible for the death and wounding of men must be handed over to the appropriate military criminal law enforcement authorities. Subsequently, speaking at great length about the role of the JNA in the current social situation, he recalled that the Federal Secretariat of National Defense [SSNO], had pointed out on several occasions the consequences of non-compliance with the stance whereby all factors in the country—while talks on the future of Yugoslavia are in progress—should refrain from any use of force. The latest events, he added, in every respect vindicate the accurate nature not only of these, but of previous SSNO forecasts.

Brovet said that with the exception of Split where JNA members, by firing in the air used their weapons as a warning, the men did not once open fire, nor did they directly clash with the citizens although they were subjected to great provocations. Despite the utterly principled, patient, and measured JNA behavior, the peace and safety of officers and members of their families are placed under a growing threat, especially in the Republic of Croatia, Brovet warned. Assorted threats and blackmail, including organized attacks on JNA officers, members of their families, housing blocks, and military installations and resources are growing daily.

Poorly argued, fabricated, and quite senseless attacks on the JNA in the information media continue. Instead of vigorosly suppressing such manifestations, the official services of authority go as far as to encourage them and take part in them, Brovet stressed. Several cases of an arrogant attitude toward the officers and seizure of their personal weapons have been recorded, and this, to quote Brovet, can no longer be tolerated.

The SSNO, Brovet stressed, has come to the conclusion that interethnic conflicts are rising with every passing day, assuming many civil war attributes. Unfortunately, the protagonists of these conflicts are the legally elected services of authority, mainly in the nationally mixed areas.

Our forecasts indicate, he added, that it is imposible to arrest a further negative trend unless the wrong national policy is changed.

The talks on the future system in Yugoslavia, Brovet added, are totally lacking in success, and this has already produced serious consequences. The disintegration of the country and the total paralysis of our legal system is occurring at an accelerated pace in all the spheres of life in our state and society. The present system of work in the republics and in the federation is not yet yielding an adequate number of positive results; in fact, quite the reverse.

The manner in which the JNA has so far been involved in the prevention of interethnic conflicts, in Brovet's assessment, has objectively speaking been running out. The number of trouble spots are unceasingly growing and no one can say with any degree of certainty where and when the shooting will start. In these conditions, he said, the JNA cannot be expected to intervene efficiently and on time, wherever interethnic conflicts erupt.

The Federal Secretariat of National Defense, Brovet recalled, has repeatedly proposed adopting appropriate measures to prevent interethnic armed conflicts and civil war, and to ensure conditions conducive to a peaceful and democratic resolution of the Yugoslav crisis. You are aware of what happened to these proposals, he told the Committee members, saying that "this is why we now expect those who did not accept these proposals to proffer their own solutions and a way out of this extremely dangerous situation."

Brovet then read out to the National Defense Committee members the well-known Supreme Command Headquarter proposals, the five points of which were presented two days ago by Army General Veljko Kadijevic, federal secretary of national defenese, to SFRY Presidency President Borisav Jovic.

Admiral Stane Brovet ended his report to the National Defense Assembly Committee session by issuing a warning to the effect that "should the situation and the development of events escape control, the JNA will not enter a conflict with the people, but with those who are preparing, organizing, and provoking conflicts, and who are dragging the nations of Yugoslavia into a mutual war and bloodshed". [passage omitted]

Taking advantage of Admiral Brovet's presence, Ivan Veselinovic [not further identified] asked what the JNA intends to do when ordnance industry installations are placed under threat, as happened recently in the Djuro Djakovic works. Brovet said that it is true that recently people from the Croatian Ministry of Internal Affairs

had gone into the workshops of this tank manufacturing collective, but there had also been intimations that the tanks could be taken out of the factory premises. We intervened at once and prevented the tanks from being taken into possession; we also made it clear that should an attempt be made to move them without our approval we would use force. The problem was resolved, but there were some minor demonstrations round the barracks premises, while the soldiers who guarded the tanks in the works, when an attempt was made to attack them, fired in the air as a warning.

The distribution of the ordnance industry is a concept issue that is devoid of adverse significance if the internal situation is not bad. However, if the Army has to be used to guard the tanks then the situation is dramatic. This is why we have taken the measures to protect all special-purpose industry (mn: [namenska industrija] installations, Brovet said.

Vilko Jelen [not further identified] prepared a "packet" of questions for Admiral Brovet: Is the JNA behaving now in Croatia in accordance with the same criteria it applied in Kosovo some time ago; why was a Croatian Ministry of Internal Affairs boat on the Danube "captured"; were JNA buildings attacked in Belgrade on 9 March; is the Knin Secretariat of Internal [SUP] a legal or a paramilitary institution?

Brovet recalled that the JNA's tasks in Kosovo and now in Croatia are not the same, which he went on to explain in great detail, and then stressed that the objectives of Army activity in such situations are laid down by the SFRY presidency. Regarding the boat "captured" on the Danube near Dalj, Brovet said that it was a private and not a police boat and that it looked like a pirate boat [izgledao je kao gusarski]. There were bags filled with sand and steel sheets on the boat, and the number of policemen on it was not in keeping with the amount of weaponry that was obviously being transported somewhere. There was a bazooka and two machine guns on the boat, and they do not rank as police personal weapons. This is why it had to be kept, for record and investigation purposes.

According to Brovet, some windows of the General Staff and Federal Secretariat of National Defense buildings were broken in Belgrade on 9 March, and a "Molotov cocktail" was thrown into a military building, but no damage was caused. As far as the Knin SUP is concerned, Brovet said :" If the municipality is a legally elected entity, then they are a legal municipal institution". However, he added, anything they do in defiance of the system is not alright.

In connection with several questions concerning the attacks on JNA members and on military installations, Brovet said that the SFRY Presidency was informed that any such attack will be rebuffed and responded to in accordance with military service rules, and this includes the use of firearms. The Army is not the police and everyone should be aware of that, especially those organizing attacks on the JNA.

Army To Use 'All Available Means' on Blockade

LD0905130391 Belgrade TANJUG in English 1220 GMT 9 Apr 91

[Text] Belgrade, May 9 (TANJUG)—The Yugoslav Federal Secretariat for National Defense today warned that the Army would use "all available means in keeping with law and regulations" against the blockade of individual garrisons "by armed extremists."

The above was the Defense Ministry's reply at today's session of the Assembly of Yugoslavia Federal Chamber to a Croatian deputy's question about how the blockade affected the mobility of the military units.

The military leadership three days ago raised the degree of the army's combat preparedness and ordered the mobilization of some units. The decision followed anti-army demonstrations in the Adriatic port town of Split, Croatia, in which one soldier was killed and one wounded.

A mechanized army unit has been blocked in Listica, western Bosnia-Hercegovina, for the past two days. Croats, who constitute the majority population in the small town, are preventing the unit from passing with a "human barricade" and trucks.

There have been a number of cases in the past few days of the blocking of approaches to military barracks in parts of Croatia predominatly populated by Croats.

Golem: Fight 'With All Available Means'

AU0905124891 Vienna NEUE KRONEN-ZEITUNG in German 9 May 91 pp 2-3

[Report by "KRONEN-ZEITUNG stringer" Stipe Suvar: "Troops From Serbia Dispatched to Our Border!"]

[Excerpts] Ljubljana/Zagreb—Dramatic and fateful hours in Yugoslavia: Last night the military started to take over power. What has been a threat for days became terrible reality last evening: Troops from Serbia landed in Slovenia and assumed positions along the border to Austria! Yugoslavia is to be cordoned off! [passage omitted]

Alarming reports also come from other parts of Yugoslavia: In Serbia, Montenegro, and Macedonia the mobilization of troops is in full swing. Soldiers from these republics, which are considered "reliable" by the military leadership, are being moved in the direction of Croatia and Slovenia.

The Croatian leadership reacted harshly: President Tudjman said that a state of emergency imposed on Croatia would be considered occupation and war by the Croats

and would lead to corresponding reactions. Croatia's Foreign Minister [Frane] Golem was even more explicit: "We are determined to wage war and we will fight for Croatia's sovereignty with all means available! We are ready for the fight to use the only chance we have had in the past 700 years!" the Croatian foreign minister stated in dramatic words [in an interview with Austria Press Agency]. [passage omitted]

On Wednesday morning [8 May] there was talk in the Croatian capital of a so-called secret plan of the generals to assume power. According to this plan, tank units are supposed to gradually infiltrate Croatia—as has already happened in part—and to surround, so to speak, the political leadership in Zagreb. As soon as the army operation is concluded, the military will dictate conditions to President Tudjman to force him to enter negotiations about the end of the "siege."

Serbia Lists Demands in Letter to FEC

LD0805193991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1736 GMT 8 May 91

[Text] Belgrade, 8 May (TANJUG)—The Federal Executive Council [FEC] and competent federal authorities should urgently and directly be involved in averting all armed and other interethnic based conflicts and thus prevent further escalation of the use of force and violence to solve the Yugoslav crisis.

This is one of the demands presented by the Serbian government in a letter it sent today to the FEC.

In its letter the Serbian government demands direct investigation and inquiry into all forms of state terror by the Croatian authorities over the Serbian people, including the terror-based program goals of the Croatian Democratic Community and other anti-Serbian oriented parties to biologically destroy the Serbian population in this area.

The Serbian government demands that disarmament of all paramilitary formations be carried out immediately and that any further illegal supplying of armament be stopped.

The letter demands that the federal authorities, particularly judiciary services, immediately investigate the causes and consequences of conflicts that culminated in civil war and are causing the violation of rights, freedoms, and security of citizens' property. In this connection the full independence and objectivity of these services must be secured. Hence it is also necessary to call in the relevant international institutions that deal with the protection of human rights and liberties, the letter says.

The Serbian government calls on the FEC to make sure the bodies of the Republic of Croatia respect the SFRY Constitution and its provisions that protect rights, liberties, and the integrity of citizens, including their national rights. The Serbian government also wants the FEC to discover those officials and functionaries on whose orders serious criminal acts of violence and maltreatment were committed, including liquidation of the Serbs in Croatia, which all fall within the competence of the federal public prosecutor.

The Serbian government notes that the passive behavior of the FEC and federal administrative services has directly encouraged, and even motivated, the Croatian authorities to mercilessly impose—contrary to all norms of civilization and international law—violence on and maltreatment of citizens, especially those Serbs not wishing to live outside Yugoslavia.

In its letter the Serbian government resolutely rejects every claim that the services of this republic have in any way taken part in organizing resistance and in jeopardizing the punitive raid of the Croatian special forces on Borovo Selo.

The government notes that the FEC has not done anything to protect the Serbian people in Croatia and that it gave a biased assessment of the real situation, its causes, and consequences. This can be clearly seen from the FEC assessments insinuating that people from Borovo Selo committed serious criminal acts. The only truth is that those who committed criminal acts and attempted genocide were members of the Croatian Ministry of Internal Affairs [MUP] and its superiors. The FEC failed to take a clear stand—it should have been the sole duty of the federal authorities to establish the facts and take measures within their jurisdiction—because this, the most important question, cannot be entrusted to direct culprits of bloodshed: the policemen and special forces of the MUP. The Serbian government is expecting, through the involvement of federal authorities, that conditions will be created for the peaceful and democratic denouement of the Yugoslav crisis, which the FEC is advocating in its stands. Should the state terror, however, and violation and suppression of human rights and freedoms of Serbs in Croatia continue, the Serbian authorities will proceed with executing their constitutional responsibilities—the protection of the Serbian people—in a way and by means recognized by both the Yugoslav and international legal systems, the Serbian government points out in its letter to the FEC.

The Serbian government urges the FEC—in connection with the arrest and brutal torture during investigation of 14 citizens from Titova Korenica and two citizens from Knin in Plitvice—to immediately take concrete measures and obtain assurances from the Croatian authorities that the federal law provisions on criminal proceedings will be consistantly applied, as well as the international convention on the protection of human rights respected, during the investigation and court proceedings against these persons.

The Serbian government also notes in the letter the failure to take any action at all by the federal government and other federal authorities for the protection of the lives, security, human rights, and liberties of its citizens is without precedent in modern history. For this reason

a process for establishing the responsibility of all federal authorities and for the dismissal of responsible officials must be instituted before the SFRY Assembly.

The Serbian government insists that the FEC should invite international human rights organizations to visit Yugoslavia and Croatia and acknowledge the violation of the human rights and liberties of the Serbian people.

Slovene Independence 'Definitely' by 26 June

LD0805175791 Belgrade TANJUG Domestic Service in Serbo-Croatian 1418 GMT 8 May 91

[Excerpts] Ljubljana, 8 May (TANJUG)—Slovenia definitely intends to carry out the independence—that is the dissociation—decision by 26 June. This was stated today by Slovene Prime Minister Lojze Peterle during a joint session of all three chambers of the republican assembly, which resumed the debate on Slovenia's independence. All members of the Slovene republican presidency led by Milan Kucan were present at the session.

Peterle informed the assembly that in considering the current political situation in the country, his government has decided that no particularly rapid decisions need be made regarding the independence process. It is proposed, however, that the assembly session should be an ongoing one so "the events which may occur can be reacted to daily". [passage omitted]

Peterle noted that a civil war has begun in the country, and in this connection reiterated the demand voiced by the Slovene government that the Federal Executive Council should take note of new Slovene legislation and release the soldiers from Slovenia by 10 June this year at the latest. "The situation in Yugoslavia is not just serious, but is dangerous even for the areas where force has not been used so far", Peterle stressed, drawing attention to the fact that the Yugoslav Army's top commanders were ascribing themselves powers that, according to our constitution and laws, they are not entitled.

"Our services are in control of the security situation and will do everything to protect legality in Slovenia, which means that there is no way we will allow a foreign legal system to be applied in our country", stressed the Slovene prime minister. [passage omitted]

The joint session was then adjourned, and then representatives of the deputies' clubs met behind closed doors to prepare a document. The Slovene Assembly will inform the federal assembly about its stands concerning the special declaration adopted in the Federal Assembly on the resolution of the Yugoslav crisis that, as stressed by Slovene Assembly President Franc Bucar, "absolutely ignores Slovenia's stance regarding our plebiscitary decision, and which demands that decisions be made on a constitutional and legal matter without the consent of the Slovene Assembly, and in fact the consent of any individual republic. It also requires compliance with the valid constitutional system and laws as a condition for any act of secession."

Slovene Government Adopts Bills for Independence

AU0405190291 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 4 May 91

[Dragoslav Kosaric report from Ljubljana]

[Text] At its session today, the Executive Council of Slovenia adopted the proposals and drafts of the bills that, as stated by the president of the Slovene government Lojze Peterle at the news conference, will open a road to Slovenia's full independence.

[Kosaric] The government of Lojze Peterle is obviously not sitting with its arms crossed and, following the latest events in Croatia, is increasing the pace of the process of becoming independent from the formal-legal point of view.

According to Slovene Government President Peterle, the package of bills proposed today is very important, because it is opening a road to Slovenia's full independence. So, next week, the assembly will be presented with the Law on the National Bank of Slovenia, the Law on the Agency for Protection of Banks' Deposits, the Law on Foreign Currency Dealings, as well as the laws on internal affairs, citizenship, passports, and the protection of state borders.

The bills also propose that the federal services' current competencies be transferred to the republican services after 26 June. Peterle announced the adoption of an act in the Slovene Assembly according to which a procedure on consentaneous dissociation will be held with federal entities. Regardless of this, Slovenia does not intend to stop taking part in the talks on the future of Yugoslavia.

Journalists at the news conference were not given specific information about these bills, and it is presently difficult to talk about details. It is certain that the proposal on dual nationality will be adopted. According to [Slovene Economics Minister Joze] Mencinger, the new currency would be the Slovene dinar, while car license plates would be replaced in three years and passports in two years time.

Replying to this reporters question whether the government had considered the alternative of total isolation and the fact that the (?Rafal) Agreement, according to which, as is known, Slovenia would be divided between Italy and Austria, may be enacted, [Dimitrij] Rupel categorically said that Slovenia will become independent regardless of pressure. Regarding international agreements, Slovenia will accept the Osimo Agreements and other international acts.

This also requires international consent and the road will be difficult and uncertain, and will primarily depend on the denouement of the Yugoslav crisis.

Additional Independence Bills

AU0805153391 Belgrade Domestic Service in Serbo-Croatian 1300 GMT 8 May 91

[Dragoslav Kosaric report]

[Text] Today two events are at the center of the Slovene public's attention: the extraordinary session of the Slovene Assembly, at which the deputies are discussing the second package of bills concerning Slovenia's independence, and the news conference of Milan Kucan about yesterday's session of the SFRY Presidency. Dragoslav Kosaric reports:

[Kosaric] One hour before the beginning of the plenary extraordinary session of the Slovene Assembly, Milan Kucan presented to journalists, as he stressed, his impressions of yesterday's expanded session of the SFRY Presidency. From what was said one can discern a very sharp stand toward the Yugoslav People's Army. He thinks, as he said, that the seizure of the territorial defense's arms was the reason for a number of other (?things). In his view, this formed the basis for military intervention without previously checking whether the Croatian authorities are ready to ensure legality on their territories. This certainly includes national equality, Kucan said, adding that the second part of the session was reduced to the question on the basis of which one had to decide whether the opposing sides in Croatia should be separated and how. Kucan said that the legitimate Croatian authorities and the self-proclaimed authorities of the Knin region were again equated and that there were different views on who would be authorized to activate [pokrenuti] the Yugoslav People's Army, Zagreb or the federal authorities in Belgrade.

The extraordinary session of the Slovene Assembly started at 1000. In a brief speech, President of the Government Lojze Peterle presented a package of bills on Slovenia's independence. It is certain that the deputies will today discuss the constitutional law on national defense. A resolution on dissociation will also be adopted. Peterle said that this session will last until the final dissociation. He indirectly warned that the republican servoces control the security situation and that the government will do everything possible to protect legality in Slovenia. This means, Peterle said, that this republic will not allow the realization of, as he said, the alien legal order in Slovenia. The discussion is starting on the proposed documents.

Slovene Assembly Adopts Constitutional Law

AU0805180491 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 8 May 91

[Dragoslav Kosaric report]

[Text] The third part of the Slovene Assembly session is currently taking place in Ljubljana. The deputies are discussing Slovenia's separation from Yugoslavia and the republic's independence.

The Slovene Assembly has unanimously, without abstentions or negative votes, adopted the constitutional law, or to be more precise, the amendments to Articles 96 and 97, which refer to the sphere of territorial defense and federal laws on national defense.

According to this constitutional provision, the Republic of Slovenia is taking over all the functions concerning national defense that were previously in the federation's sphere of competence. So for instance, the law authorizes the Presidency of Slovenia, as the supreme commander, to rename [preimenovati]—as the need arises—certain units, above all, reserve units of the Yugoslav People's Army, as units of the territorial defense.

While I am reporting, a discussion is being held on the Slovene declaration, a kind of answer to the declaration of the SFRY Assembly, on how the situation in the country should be resolved. With this act the Slovene Assembly is also informing the SFRY Assembly that Slovenia has started the dissociation procedure. Slovenia considers the federal declaration unacceptable because, as stated, it did not take into count the Slovene views and excluded the republics from talks on how the situation in the country should be resolved, that is, it does not foresee the republics' consent, the Slovene declaration states.

Jansa Denies State of Emergency Rumors

AU0805165391 Belgrade Domestic Service in Serbo-Croatian 1540 GMT 8 May 91

[Dragoslav Kosaric report]

[Excerpts] [Kosaric] Good day to all listeners of Belgrade radio program One Argument More, and good day to all of you in the studio.

[Announcer] What is the weather like in Ljubljana?

[Kosaric] The weather here in Ljubljana is changeable and so is the mood. The third continuation of the Slovene Assembly session concerning this republic's independence and its separation from Yugoslavia began with a speech by the president of the Slovene Government, Lojze Peterle, who started by assessing the current situation in Yugoslavia by saying that a civil war has basically begun.

Since I have already said more about this in the regular news program let me say what I did not say then, namely that Peterle said, among other things, that there is no need to make special emergency decisions regarding disassociation. He proposed that the proposal concerning the customs service be discussed as soon as possible. He also said that the Slovene Government

wants to hold a meeting with the Federal Government prior to this. This meeting is scheduled for next Friday. [passage omitted]

I would also like to say that the afternoon part of the discussion included many fierce and polemical exchanges. Joze Smole demanded, among other things, that the Slovene Presidency confirm or deny rumors about the introduction of a state of emergency [vanredno stanje] in Yugoslavia tomorrow, curfew, the ban on national parties, and so on.

Slovene National Defense Secretary answered deputies by saying that nobody in the SFRY Presidency, including vice president Stipe Mesic, has such information, nor are they aware that the Yugoslav People's Army has set any ultimatum that a state of emergency be introduced in Yugoslavia by 2400 tonight. Jansa also said that they were not able to contact President Jovic. [passage omitted]

Legal Aspects of Separation Presented

AU0305082191 Ljubljana NEODVISNI DNEVNIK in Slovene 25 Apr 91 p 4

[Text] [Slovene] Legislation Minister Lojze Janko begun his speech with the government's conclusion that the process of becoming independent must be coordinated. He stated that the scheme for achieving independence has 13 sections on the separation: economic system, economic relations with foreign countries, financial links with foreign countries, foreign affairs, cooperation with the republics, supplies, infrastructure, industry, borders, defense, security, legislation, and media. He also said that this is a general plan for achieving independence, in which, besides the Executive Council, the Slovene Economic Chamber, the National Bank of Slovenia, and other organizations and individual experts also participated. So far, the government has primarily ensured the constitutional basis for achieving independence on the normative level (Amendment 99 to the Slovene Constitution). It also achieved independence in the sphere of taxation. By introducing the republican export subventions, Slovenia achieved independence in its economic relations with foreign countries. The government also introduced a quasi-foreign currency market (indirectly it introduced the system of the flexible foreign currency exchange rate), and adopted legislation on defense and national service. Three new areas of legislation are in preparation: the political system (citizenship, foreigners, republican administrative organs); the finance system (banks, savings banks); and the system of economic relations with foreign countries (dealing in foreign currency, credit relations, customs service). Finally, the strategy of the foreign policy and the law on foreign affairs also exist.

Lojze Janko also spoke about the list of multilateral and bilateral agreements. He said that the guidelines for negotiations on demarcating the rights and obligations of individual republics and the Federation have already been established. Finally, he added that the government will constantly inform the assembly about all matters and that "we must hurry but we must not lose our heads. We must be careful but we should not be afraid. We must be brave but within the limits of the risk".

Slovene Political Scene Viewed

AU0505194191 Zagreb VJESNIK in Serbo-Croatic 26 Apr 91 p 4

[Stane Pucko report: "There Will Be No Quick Seces

[Text] After the Wednesday [24 April] spent in the [Slovene] Assembly, it was not clear why Assembly President Franc Bucar called the deputies together to continue the debate on the process of becoming independent. It was demonstrated that the government has nothing important to say to the deputies, while the assembly has neither the will nor the strength to energetically or even by setting ultimatums ask the government for a program on the independence process, which is owing to it according to the law on the plebiscite.

Bucar could therefore do nothing else but once again stop the debate, particularly since the session was not attended by government president Lojze Peterle, as he was on an official visit to France. Bucar convened a session of the assembly at the request of certain parties who had wanted a decision to be made as far back as March on finally becoming independent.

In the meantime, the radicals seemed to have their wings clipped. President Bucar simply did not allow the most radical deputy, the Liberal Gros, to speak. Thus, the radical secessionists not only decided on silence but were even forced into it. Did Bucar, by convening the session want to show that the government is not able to present the assembly with a complete independence program and, once he had achieved this, did he stop the session for the same reasons?

Demos Did Not Defend Peterle

Apart from one Christian Democratic deputy, no one reacted to Kucan's decision to publicly condemn Peterle for not being present at such an important debate. This was a surprise both because of Kucan's decision to "attack" Peterle and Demos's lukewarm defense of the prime minister. Kucan had obviously come to the end of his tether. His criticism was actually leveled at the government and was a way to settle a four month-old debt. At the time of the plebiscite, Kucan had presented the republican Presidency with directives for an independence program, which is something the government should have done at that time. The Assembly at that time adopted Kucan's speech with acclamation as its own document, only to retract this later.

On his return from France, Peterle will probably reply to Kucan, but he will have to consider why this has not already been done by his Demos without him. If Peterle had not been able to postpone his trip, Bucar could have

worked the session around the prime minister's obligations. The question of whether Peterle did not want to or did not have to appear before the Assembly in the debate on becoming independent has not been answered.

This session of the Slovene Assembly has shown that Slovenia will not secede quickly. Government representatives have stressed that the tasks involved in becoming economically independent are very difficult and detailed. None other than the representative of Pucnik's Social Democrats caused a surprise when he publicly doubted the possibility that the normative aspect of the independence process would be finished by the end of June.

They Have Abandoned Quick Secession

The session showed, however, that nothing has changed in the government's strategy. That is to say, it is working on a gradual process of independence with a certain delay that no longer allows the radical diversions by Liberals, Social Democrats, and members of the peasant-peoples parties to be considered. The explanation by legislature minister Lojze Janko—that the government is trying to get answers to certain key questions concerning the independence process—clearly shows the stage that the government's work on independence has reached, that is to say, it has yet to achieve results from present attempts and define them.

That the Liberals have abandoned their intention to secede quickly and that they have realized that the government does not yet have a formula for independence is demonstrated by their latest demand to the Assembly that a debate be held at the end of May on the law on the national bank of Slovenia, the law on introducing a parallel or independent national currency, and other laws.

It is interesting that the government was defended by the outgoing vice prime minister Joze Mencinger, who resigned. He only vaguely mentioned the introduction of a unit of account and did not want to say anything more specific. However, only two hours after his speech, Ljubljana DELO was on the streets with a detailed explanation of the introduction of the Slovene ECU (secu), which will probably be made official in the official gazette on Friday.

The secu will not be an obligatory unit of account but enterprises and banks will be able to use it voluntarily in mutual business dealings and in dealing with citizens. The middle rate of exchange of the secu will be determined according to the exchange rate of the National Bank of Yugoslavia, increased by the difference between this rate and the secu as quoted on the Ljubljana foreign exchange market (the difference last week amounted to 31 percent). According to a government decision, legal entities and persons will be able to use the secu beginning 1 May for mutual financial transactions in trade agreements with delayed payments, and for credits and deposits longer than 30 days. This is a question of the first stage in the introduction of a new Slovene currency that should supposedly be pegged to the European ECU.

Who Paid Sachs?

For Demos deputies, the "secrets" concerning the secu will be yet another cause for dissatisfaction with the government's attitude toward the parliament. Because of his absence from a session of the Sociopolitical Chamber, which was only held because of the debate on the reformers' questioning of the government's developmental and economic policy, Peterle was very sharply criticized by the Socialist Deputy Joze Smole, but Demos deputies did not react to this either.

Peterle surrendered his first cabinet reshuffle to the Demos parliamentary majority. Instead of Stane Stanic, the new information minister is Jelko Kacin, who was previously assistant to Janez Jansa. Peterle left for Paris with Mencinger's resignation "in his pocket" but also with a promise to the Social Democrat Dr. Andrej Ocvirk, former minister for energy and industry in Mikulic's government, that he would take over Mencinger's job. However, Peterle was allegedly surprised by his other strong man in the economic section of the government, Finance Minister Dr. Marko Kranjec. Supposedly unhappy with the decision on increasing the salary of state officials and the rather large bill for the consultation services of the team of United States professor Jeffrey Sachs ($440,000), Kranjec also handed in his resignation. If the stories about the aforementioned bill are true, the question is whether Sachs' visit to Slovenia was paid for in part or wholly by United Nations services, since Mencinger also handed in his resignation because of disagreement with Sachs.

Slovene Assembly Appoints New Officials

LD0905092691 Belgrade TANJUG Domestic Service in Serbo-Croatian 2008 GMT 8 May 91

[Excerpt] [Passage omitted] The Slovene Assembly also relieved the vice president of the Slovene Government, Joze Mencinger, of his duties at his request, and appointed Dr. Andrej Ocvirk, former member of Branko Mikulic's government, new deputy prime minister. [title as received] Also at personal request, Dr. Marko Kranjec was relieved from his duties as republican minister of finance and Dusan Sesok, hitherto director of Ljubljana's Julon enterprise, was appointed new finance minister. [passage omitted]